

JOBS AND HOUSING

A Study of Employment and Housing Opportunities  
for Racial Minorities in the Suburban Areas of  
The New York Metropolitan Region

AN INTERIM REPORT

On

The first year's findings of a two-year study by  
the NATIONAL COMMITTEE AGAINST DISCRIMINATION IN  
HOUSING (NCDH), with funds granted by the Carnegie  
Corporation of New York.

*Ernest Erber*

March 1970

NATIONAL COMMITTEE AGAINST DISCRIMINATION IN HOUSING, INC. (NCDH)  
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\$3 per copy

## BACKGROUND OF THE STUDY

The National Committee Against Discrimination in Housing (NCDH) is now at mid-point in the most comprehensive investigation yet undertaken of the linkage between access to housing and employment opportunities. This two-year research project, being conducted in the New York Metropolitan Region, was launched on February 1, 1969, and is funded by a \$480,000 grant from the Carnegie Corporation of New York. It is expected that the results will have national significance.

Since its reorganization and expansion in 1964, NCDH has given increasing attention to the social and economic implications of the movement of jobs to suburban communities which are overwhelmingly white and the continued containment of unemployed and underemployed black, Puerto Rican, Mexican-American and other minority workers in central city ghettos. For almost two decades, this large-scale shift of industrial and service occupations from city to suburb has steadily accelerated. It has been accompanied by a massive exodus of freely-mobile whites who, in keeping with American tradition, have moved to live in areas offering good jobs and economic and social advancement. Meanwhile the American workingman's traditional option to "move where the jobs are" has been denied millions of Americans of color. Indeed, this option increasingly is unavailable to all low-income families.

The current research project has its origins in NCDH's February 1968 publication, The Impact of Housing Patterns on Job Opportunities, which reported on a preliminary analysis conducted by NCDH during 1966-67. That initial survey of five metropolitan areas found that a broad pattern of housing discrimination in the suburbs, coupled with suburban employment growth and shrinkage of manufacturing jobs in central cities, is a major cause of the high level of unemployment and sub-employment among minorities and the poor confined largely in old, central cities. E.E.

Recognizing the importance of questions raised in the NCDH report and the need to identify policies that might change these conditions, the Carnegie Corporation in May 1968 awarded NCDH a planning grant to design, in collaboration with the Regional Plan Association (RPA), a comprehensive investigation of the housing/employment relationship in the New York Region. This, in turn, led to the current two-year research project.

The ongoing NCDH study is directed at the suburban side of the equation: what can be done in the suburbs to unlock housing opportunities and coordinate them with appropriate employment? The starting point was the finding of NCDH's initial report that the lack of job opportunities for minorities and the lack of housing opportunities in the suburbs are directly related. The specific innovations in the current research project are to identify present and future suburban economic concentrations, to measure their job dimensions, to analyze the linkage between suburban manpower needs and housing supply, and to identify and propose remedies for the constraints upon availability of suburban housing to the minority labor force.

This interim report is being issued at a time when the nation's commitments to school desegregation, full employment, and decent open housing are seriously threatened. It is NCDH's hope and belief that the documentation assembled thus far may help reverse this dangerous trend toward further separation of American society along racial, economic and city/suburban lines.

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It is our further hope and expectation that the policy recommendations to be developed at the conclusion of this two-year study may chart a new course for specific and effective public and private action to insure that Americans of color are free to exercise the choice to move out and up that white Americans take for granted. Only then will we rid our nation of the divisions and inequities that are increasingly destructive of our human and economic resources.

Edward Rutledge  
Executive Co-Director

Jack E. Wood, Jr.  
Executive Co-Director

March 1970

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Mr. Frederic A. Mosher  
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Dear Mr. Mosher:

I transmit herewith an interim report on preliminary findings and analyses made during the first year of the two-year study of suburban housing and employment opportunities for minorities, being conducted by NCDH under a grant from the Carnegie Corporation of New York.

Progress to date affirms the critical importance of researching this subject matter and indicates that this study will yield valuable new insights that can serve public and private policy formation.

The accomplishments of this first year serve to deepen NCDH's conviction that Carnegie's funding of this research is an outstanding contribution to the public interest. Its current significance is underscored almost daily by events reported by the nation's news media.

Sincerely,

*Ernest Erber*  
Ernest Erber  
Director of Research

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EMPLOYMENT AND HOUSING OPPORTUNITIES  
FOR RACIAL MINORITIES IN THE SUBURBAN AREAS OF  
THE NEW YORK METROPOLITAN REGION

AN INTERIM REPORT

Negroes and Puerto Ricans in the New York Metropolitan Region are blocked increasingly from access to new jobs and housing as a result of the growing geographic separation of population by race and income. The manner and extent of this phenomenon, and identification of the institutionalized systems which undergird it, are clearly emerging from documentation assembled during the first year of a two-year study of employment and housing opportunities for racial minorities in the New York Region's suburban areas. The study is being conducted by the National Committee Against Discrimination in Housing (NCDH), with funds granted by the Carnegie Corporation of New York.

The charting of employment growth by location for recent years shows that most new jobs are located in the developing outer areas of the Region from which Negroes and Puerto Ricans are largely excluded by factors of cost and racial discrimination, accentuated by the manipulation of zoning and other local controls to screen out housing for low- and moderate-income groups. The mapping of population by race shows that the vast majority of the Region's Negroes and Puerto Ricans continue to be concentrated in expanding ghettos in New York City, Newark and several suburban "black belts" in process of formation in northern New Jersey; Westchester County and Long Island, New York; and the southwestern corner of Connecticut.



An initial look at transportation from ghettos to suburban jobs indicates that it is not practical as a large-scale solution. Meanwhile, evidence accumulates of serious labor shortages in suburban areas that threaten to curtail economic expansion and to inconvenience residents through inadequacy of services.

These preliminary findings are the product of research into three basic areas: (a) trends in economic development, the resulting growth of employment and its location and accessibility by type, including transportation between ghettos and employment centers; (b) trends in housing supply and availability by type, cost and location; and (c) the processes by which communities arrive at decisions determining their future development, especially through use of local controls to influence occupancy of new housing in accordance with income and, consequently, race.

The method used to study economic and employment factors is to determine the location of suburban employment concentrations and analyze their rates of growth and the type of industries (by Standard Industrial Classification, 2-digit) that locate there. Zoning and other land development factors are analyzed to make a projection of potential employment for 1975, 1980 and 1985. By use of a statistical matrix, employment by industry is converted into employment by occupation. Data on numbers of jobs by occupation can then be converted into earning power and the effective demand for housing by cost, thus converting an identified labor market into a potential housing market. These data are being developed by Regional Plan Association (RPA) as consultants to NCDH, under my direction as project director. Data on population distribution by race, labor force by race, and manufacturing employment projections used in this

report are from computations prepared by RPA staff.\*

The method used to study housing supply and its availability to the minority labor force is to determine by statistical analysis the projected additions to the housing stock by local area and to identify the constraints inhibiting the construction of a larger volume of moderate-cost housing and the practices that reduce the availability of suburban housing to blacks and Puerto Ricans. Essentially the study of housing factors seeks to answer two questions: (1) What prevents more suburban housing from being built at a cost within the means of those employed in suburban establishments? (2) What prevents those Negroes and Puerto Ricans who have incomes adequate to carry the costs of houses and the rentals of apartments in suburbs from occupying them in numbers more nearly approximate to their representation in the Region's total population? In short: what do the suburbs do to keep out lower-priced housing, and what do they do to keep black Americans and Puerto Ricans out of existing housing?

The answer to the question of the volume of housing construction is sought by computation and projection of housing supply and demand and an analysis of the separate factors that act as constraints on supply: mortgage money and interest rates, land costs, construction costs, property

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\*Mainly the following:

Minority Population and Labor Force: Past Trends and Projections.

Manufacturing Employment by Selected County and by 2-Digit SIC Category, 1959-1985.

Estimated 1968 Population by Ethnic Group - NCDH Study Area.

The above reports will be available for distribution later this year.

tax rates, and municipal controls of land use and construction through zoning, subdivision approval, building codes, and refusal to authorize government-assisted housing for low- and middle-income groups. The accumulation of data on constraints is both statistical (i.e., quantitative) and behavioral (i.e., attitudes and practices of institutions such as local government, civic and taxpayer groups, the real estate industry, banks, apartment managements, etc., and of individuals as voters and as sellers or lessors of property). The behavioral patterns and practices are being studied by field investigations, surveys and interviews in some 36 communities in six suburban areas (Bergen, Essex and Middlesex Counties in New Jersey; southwestern Connecticut; and Westchester and Nassau-Suffolk Counties in New York). A separate study is being made of the role of the real estate industry in affecting the availability of housing in suburban areas to racial minorities.

The study of housing supply and constraints, including the community analyses, is being made by NCDH's Research staff, assisted by consultants in specialized areas.\*

An interim report by its nature cannot be comprehensive, conclusive or entirely coordinative. Its documentation can only be partial. What follows, therefore, are selections of pertinent data and observations from a growing mass of information with only tentative evaluations of their full implications. It is a report on work in progress and should be accepted as such. However, since all information on the changing patterns of employment and residence as they affect racial minorities in metro-

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\* The methodology is described more fully in Appendix No. 1, under the heading "The Study's Objectives and Methodology."

politan regions is of critical importance, both to scholars and to decision makers, it is in the public interest to make available a report on emerging findings at this time as the study reaches mid-point in its work program.

This is truly a collaborative effort. Involved are the skills and background experiences of staff and consultants, and, beyond them, the many who contribute by cooperating with counsel and information. The report owes much to the editorial skill of Margaret Fisher, NCDH Associate Executive Director, and her perseverance in challenging me to clarify otherwise obscure formulations. I fear that my responses have not always come up to her exacting standards. The report, however, is my responsibility as director of the project.

Ernest Erber, AIP  
Director of Research  
National Committee Against  
Discrimination in Housing (NCDH)

## I. EMPLOYMENT OPPORTUNITIES

Of the 990,000 new jobs created between 1959 and 1967 in the New York Metropolitan Region\*, 743,800 (75%) were located outside of New York City and only 246,200 (25%) within New York City. The new jobs within the city were confined almost entirely to services, finance, insurance, communications, utilities, government and manufacturing headquarters offices, all of which are fields with high percentages of white-collar participation.

Jobs in manufacturing at production site in New York City declined by some 47,110 positions during this period, while manufacturing establishments' headquarters offices grew by 26,340 workers. Outside of New York City, production site manufacturing employment continued to advance, expanding by some 138,440 positions through the relocation of central city firms, indigenous growth, and the location of new manufacturing establishments. Suburban manufacturing headquarters increased in employ-

\* As defined by Regional Plan Association, included are the following 31 Counties (in Connecticut, planning regions): Fairfield, Litchfield and New Haven in Connecticut; Bergen, Essex, Hudson, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union and Warren in New Jersey; Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, Sullivan, Ulster and Westchester in New York, Bronx; Kings (Brooklyn), New York (Manhattan), Queens, and Richmond (Staten Island) in New York City.

ment over the period, adding some 58,270 new jobs. The seven counties\* selected for study in this research project shared in a remarkable gain of 85,810 production site manufacturing jobs and 24,680 manufacturing headquarters jobs over the period. This represented 62% of the suburban factory growth and 42% of the suburban industrial headquarters growth which accrued to the seven selected counties.

Nor did non-manufacturing activities lag in the selected suburban counties' employment growth over the 1959 - 1967 period. In the Region as a whole, this sector grew by some 841,510 jobs, of which roughly one-third were located in New York City and two-thirds in the portion of the Region outside New York City. The seven project study counties accounted for 70% of the suburban non-manufacturing employment growth by adding 391,280 jobs over the 1959-1967 period. In order of magnitude, the non-manufacturing sectors which contributed most to the study counties' growth were as follows: services, government, retail trade, wholesale trade and finance-insurance-real estate. However, a large portion of these jobs did not locate in a concentrated pattern, but rather dispersed to serve a residential market at the local scale in the suburban counties. Only segments of the non-manufacturing sector (nearly one-third of total) have been isolated for more intensive investigation because they locate in the sub-regional clusters of retail, service, government, and office activity

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\* The seven counties selected for detailed analysis of population, employment and housing trends are Bergen, Essex and Middlesex in New Jersey; Westchester, Nassau and Suffolk in New York; Fairfield in Connecticut (actually the southwestern Regional Planning Area). These are referred to in this report as either the "study area" or the "study counties."

which support a higher scale and diversity in suburban non-manufacturing job opportunities.

Employment projections to 1985 foresee a continuing loss in the production site manufacturing base of New York City and further gain in white-collar opportunities. Manufacturing is expected to decline by some 137,700 factory jobs in the city while manufacturing headquarters offices will add nearly 45,000 more workers. Non-manufacturing opportunities in the city are projected to expand by some 487,500 more jobs, the bulk of which (nearly 80%) are expected to seek location in Manhattan's growing central business district (CBD).

The suburban portions of the Region are forecast to gain some 122,700 new factory jobs and 91,500 new manufacturing headquarters positions by 1985. This projection of industrial change results from detailed analysis of the locational shifts occurring among specific manufacturing industries, combining long-term trends in manufacturing location by county (1953-1967) with the specific results of industrial migration surveys and analyses.

The seven selected study counties are expected to capture 82,800 jobs in the anticipated suburban factory growth (68% of suburban total), and 67,000 jobs in the enlarging manufacturing headquarters sector (73% of suburban total). The RPA staff is currently refining non-manufacturing growth projections for the selected study counties. It is clear at this stage, however, that nearly twice as many of the non-manufacturing jobs, compared to predicted manufacturing growth, can be expected (or induced) to cluster on a sub-regional scale in the selected suburban counties.

The past trends and projections of future employment opportunities in the manufacturing and non-manufacturing industries of the selected suburban counties and New York City are currently being converted to an array of past and projected occupational demand. The skill configurations of major industries in the selected counties of the Region have been adjusted for area-specific differences to produce more accurate forecasting results. Highly detailed projections of specific occupations in demand have not been undertaken, however, as the level of inaccuracy likely to result from such projections was considered (after consultation with government manpower specialists) to render them meaningless.

#### Minority Labor Force Growth

While the non-white and Puerto Rican labor force residing in the suburban counties of the Region is expected to show sharp increases over the forecast period to 1985, these gains are impressive only as percentages of increase but remain minute as absolute numbers when compared to the white resident labor force of the same counties.

Between 1959 and 1967, when total employment grew by 495,200 jobs in the seven selected counties, the resident minority labor force of the same suburban counties grew by 94,600 persons, of whom 53,170 were in Essex County which contains Newark, a city with some 60% Negro and Puerto Rican population. On a study area basis, this minority labor force growth thus



represented 19% of the growth in areas of increasing opportunities.\*

However, it can be seen in the following table that most suburban counties are not keeping pace in the growth of their minority labor forces as compared to the minority proportion of the Region's population, about 18%.

PAST GROWTH IN EMPLOYMENT OPPORTUNITIES AND MINORITY  
LABOR FORCE IN THE SELECTED SUBURBAN COUNTIES,  
1959/60 - 1967/68

County	Increases in		Minority L.F. Growth as a % of Job Growth	Minorities as a % of Population	
	Total Jobs 1959-1967	Minority L.F. 1960-1968		1960	1968
Fairfield	59,883	10,197	17.0%	6.4%	9.4%
Bergen	75,468	2,986	4.0	2.5	2.8
Essex	35,500	53,170	149.8	20.9	33.8
Middlesex	54,777	4,631	8.5	5.0	5.9
Nassau	121,953	7,472	6.1	3.6	4.9
Suffolk	82,710	9,085	11.0	6.3	6.3
Westchester	64,886	7,102	10.9	8.1	10.0

Source: Regional Plan Association

\* From analysis of suburban labor markets and journey-to-work travel times, based in part on the household interviews conducted by the Tri-State Transportation Commission, whole suburban counties appear to be reasonable catchment areas for attracting low-to-moderate skilled workers to employment locations within the same counties. On average, they require a journey-to-work travel time of 30 minutes.

The recent growth in the minority population base of Newark, a central city with a characteristic employment and resident labor force dichotomy with reference to occupations and race, has been responsible for more than half of the growth in the selected suburban counties' minority labor force.\* With respect to Essex County's own job base, the Newark and related county minority labor force growth far exceeded the growth in new job opportunities. This is not unlike the occurrence in New York City over the same period; despite a growth of nearly one-quarter million jobs in the city over the 1959-1967 period, total employment only expanded by an amount roughly equivalent to the total growth in the resident minority labor force. And, accessibility problems have taken their hardest toll on those minority workers of low-to-moderate skills; for, as we have seen, the bulk of the city's recent job growth has been in white-collar activities which have only of late become increasingly available to the minority labor force. Thus, while the resident minority population of both New York and Newark has increased dramatically over the past decade, the options left open to those who cannot avail themselves of nearby job opportunities because of skill factors have been either a longer journey to work, or unemployment.

The selected suburban counties which experienced the largest increases in total employment over the period have also been those, for the most part, which enlarged their resident minority labor force least signifi-

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\* It should be noted that much of Fairfield's (Conn.) minority labor force growth is in the old industrial centers of Bridgeport, Danbury and Stamford.

cantly. While Nassau grew by 122,000 jobs over the period 1959-1967, the resident minority labor force increased by only 7,500 persons and total minority population climbed in share of county population from only 3.6% to 4.9% during 1960-1968. Similarly, Bergen County, which expanded by 75,000 jobs during 1959-1967, enlarged its resident minority labor force by only 3,000 persons and its total minority population share by less than half of one per cent.

Given the continuation of past trends (1950-1968) in minority net in-migration to the selected suburban counties, it is estimated that the resident minority labor force will increase by 311,900 persons by 1985, over the 1968 base of 281,500 persons. This increase in minority labor supply, in turn, represents less than 30% of the anticipated job growth in the selected counties, a proportion roughly in line with the expected minority participation in the Region's future population base. However, the pattern which we observed in the past development by geographic area will be much like that of the future, should present trends go unaltered. Essex County, projected as the fastest growing county in terms of minority labor force gains (1968-1985) is also expected to be the slowest growing county in employment expansion, with absolute declines foreseen in factory skill jobs. Moreover, the degree of disparity between minority labor force growth and expanding job opportunities will increase in Essex County over the forecast period. Bergen County, on the other hand, will likely gain 150,000 more jobs but only 11,000 more resident minority workers, should present trends continue. By 1985, Bergen County's minority population will still remain under 5% of total at a time when New York City's population is expected to have a majority of non-whites and Puerto Ricans

and Newark's minority population will approach 90%.

### Special Study of Wholesale/Retail Industries

A special study of the wholesale and retail industries by NCDM Research Associates Ellen Brindle and Harold Pollard assessed their potential for employing an increasing proportion of the minority labor force in suburban locations. These two industries were chosen for study because of the size of their manpower needs and because of the rate of growth of their labor forces. Employment in retailing currently represents 14.5% of all jobs in the New York Metropolitan Region, while that in wholesaling represents 7%. Based on recent trends, the annual rate of growth of jobs in retailing and wholesaling is projected at 1.2% annually, compared to 0.3% for manufacturing. By 1985, the labor force in trade will be almost as large as that in manufacturing.

The growth of retail employment is, generally, proportional to that of the population and the location of new retail employment is distributed in proximity to the location of population growth. Since the latter is in the suburbs, the vast majority of new retail jobs are located there also. Of 100,600 retail jobs created between 1959 and 1965 in the New York Metropolitan Region, some 95,400 (95%) are outside of New York City.

The study found that wages in retailing averaged about two-thirds of the rates paid in manufacturing for entry jobs requiring little or no training and a minimum of formal education. Retail employment is also characterized by the high percentage of women in the labor force; the large number of part-time (less than 32 hours) jobs; the seasonal nature

of employment (Christmas, Easter, etc.); and the flexibility of working hours and schedules. These characteristics result in a high percentage of the labor force which consists of secondary wage earners (wife or teenager) and of second-job holders (moonlighters) who augment earnings evenings and on weekends.

As a consequence, retailing was studied to determine especially the employment opportunities for Negro and Puerto Rican women who traditionally are represented in the labor force in higher percentage than white women as a consequence of the need to supplement the lower earnings by heads of minority households. (In 1965, 49.1% of non-white females 18 years and over participated in the labor force, compared to 38.4% of white females.) Such employment opportunities for a second income in the family are extremely important for the minority family that contemplates moving to a suburban location to permit the head of the household to avail himself of a higher paying job. If such a move deprives the wife of employment, the total family income will invariably be lowered, even though the husband's earnings are likely to increase in the range from \$2.50 per hour in a generally dead-end job in the city to \$3.50 per hour in a suburban manufacturing plant. The gross increase of \$40 per week would be more than offset by the loss of the wife's weekly gross earnings of about \$90 (using the apparel industry as a criterion). Large numbers of white suburban housewives in the 1950's and 60's found employment in retailing as a means of supplementing family income to carry the cost of the newly-purchased home or for the specific purpose of early mortgage retirement.

In addition to such second-income jobs, retailing does provide some employment for sales clerks in higher priced items (appliances, furniture, rugs, clothing, building materials, etc.) that permit earnings comparable to or exceeding those in manufacturing. It also provides easy access to first jobs for those entering the labor force, affording them the opportunity for training in business practices, customer relations and record keeping that can prove an invaluable stepping stone to other business pursuits, including entrepreneurship.

The study found that the labor force of retail establishments resides relatively nearby, reflecting the characteristics of the resident population. The lower wage scales of retailing, among other reasons, do not make long travel to jobs feasible, as shown by many journey-to-work studies. The dispersion of retail establishments, more or less in relation to population density, establishes retail job opportunities within each local community and makes long travel to such employment unnecessary. As a consequence, the representation of blacks and Puerto Ricans reflects the proportion of their presence in the local population. Findings of the study show that minority workers are increasingly well represented in the retail establishments of New York City and Newark, but not in the suburban areas, typified by the regional shopping centers and branch department stores. This finding has far-reaching implications in view of the fact that population-serving employment is estimated to account for 60% to 70% of all employment and is a growing proportion in our increasingly affluent, consumption-oriented society. If most jobs will be where people live, the residential distribution of the minority population will be a vital determinant of their employment opportunities, even if we were

not to consider the relocation of manufacturing and central office jobs to suburban areas.

### The Influence of Wage Levels on Travel Distance to Jobs

The study has provided new insights into the economics and mechanics of the suburban labor market, largely through studies of two industrial parks on Long Island by David Gayer, an economist serving as a consultant to the project, and a study of manpower problems at the Ford plant in Mahwah (Bergen County), New Jersey, by Pollard.

Interviews based on an extensive list of questions of management were completed at some 29 firms on Long Island: 17 located in Lake Success in Nassau County and 12 located in Deer Park-Wyandanch, Town of Babylon, Suffolk County. The Lake Success firms had some 1,658 employees and those in Deer Park some 4,166. Information was gathered on the Ford plant manpower situation by random interviews with employees and from a questionnaire survey of employees by Local 9, United Automobile Workers Union, related to their housing needs. Employment at the Ford plant fluctuates between 5,000 and 6,000.

Both investigations found that the wage levels were an important determinant of the distance an employee would travel to work. Persistent shortages of labor in certain occupations were found to be caused by (a) failure to pay sufficiently high wages to make it attractive to employees to travel long distances to work, or (b) a region-wide demand for certain skills that simply out-weighed the supply everywhere.

It was found that, on the whole, wages paid to blue-collar workers at

suburban plants were markedly higher than wages paid for the same type of work in New York City. On the other hand, certain white-collar employees such as accounting clerks, bookkeeping machine operators and secretaries were paid less at these suburban establishments than in New York City. It would appear to be logical to deduce from these data that the need to attract blue-collar workers from greater distances to secure a full work force at the suburban plant makes it necessary to offer wages that are higher than those in the city. Likewise, it appears logical to deduce that the abundance of white-collar help living in the suburban areas and anxious to avoid the arduous and costly commute to the city makes it possible to fill this type of job at salaries that are less than those offered in New York City.

#### The Suburban Job Vacancy Rate

Despite higher wage levels at suburban plants, employers continue to be plagued by job vacancies and high labor turnover. Gayer reports that "the findings of the survey showed substantial numbers of vacancies in both industrial parks, although job openings in Deer Park-Wyandanch were more numerous than in Lake Success. The vacancy rates were much greater than unemployment rates for Long Island, indicating a labor shortage."

The two industrial parks were chosen for comparative purposes. Lake Success, only a short distance beyond the New York City boundary, is located in the center of the relatively densely-populated Queens-Nassau area with a population of over two million and accessible to an exceptionally large and varied labor force by automobile within less than 30 minutes travel time and to a large proportion of the labor force by public transportation within one hour. The labor force accessible to Lake Success



reflected the traditional needs of Manhattan, largely white-collar commuters, and the labor needs of the industrial areas of Long Island City (Queens) and Brooklyn, largely blue-collar.

In contrast, the Deer Park-Wyandanch area is more distant from Manhattan (28 miles). Located on the outer fringes of the Manhattan commuting band, it numbers fewer commuters due to greater travel time (65 minutes by Long Island Railroad) and cost (\$51.80 per month). Its main employment base is local, consisting of the aero-space plants, their sub-contractors and suppliers, a growing number of research laboratories and four major hospitals. The pool of lower-paid white-collar workers is smaller and the competition for blue-collar workers is more intense.

In view of the contrasting locations of the two industrial parks with reference to labor supply, it is understandable that the job vacancy rate was found to be higher at Deer Park-Wyandanch, where it was 6.6% of total employment in the area, than at Lake Success, where it was 4.7%.

The survey found the job vacancies at Lake Success to be mainly in the professional, technical and managerial categories, due, it is believed, to the rapid expansion of the electronic industry in this area. Only 9% of vacancies were in the operative category. The study found that "the easiest jobs to fill in Lake Success area were in the clerical category. They also paid the lowest starting salaries. The facility in filling these positions can be attributed to the high percentage of housewives in the secondary labor market who reside in the vicinity of the industrial park." In contrast, the job vacancies at Deer Park-Wyandanch were concentrated in blue-collar jobs, with 70% of all openings in this category.

"The vast majority of the openings occurred in the unskilled operative occupations, although vacancies in craftsmen and foremen positions were high."

Gayer noted in his report that while most plants in the Deer Park industrial park displayed "Help Wanted" signs on the road, a large untapped pool of black laborers live in the nearby community of Wyandanch.\* Further inquiry by William T. Rogers, Jr., NCDH Research Associate, and Pollard, however, revealed that unemployment in the community is concentrated mainly among the younger work force, and that their expectations of wage rates are established largely on the basis of the large aircraft plants' wage scales. Since these pay over \$3.25 per hour for entry level jobs, there is a tendency to spurn offers of unskilled jobs at \$2 to \$2.25 per hour in Deer Park. Since these young workers are usually without dependents, they manage to satisfy their own needs for income by casual part-time and seasonal jobs. The older labor force living in Wyandanch is employed largely at the aero-space plants and the four major hospitals.

Ford's hourly rate of \$3.39 for relatively unskilled labor attracted employees to its Mahwah plant from considerable distances, some as far away as 45 miles. A breakdown of where the work force lives was secured

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\* Wyandanch is an unincorporated village in the town of Babylon with an estimated population of about 13,000, 90% of which is Negro. Its employment base is the aircraft industry, state hospitals and local service employment.

through the Union's survey:

Rockland and Orange Counties (N.Y.)	2,000
Bergen and Hudson Counties (N.J.)	1,500
Passaic County (N.J.)	900
Essex County (N.J.) -- outside of Newark	420
Newark (N.J.)	425
The Bronx (N.Y.)	450
Manhattan (N.Y.)	400
Brooklyn (N.Y.)	225
Long Island - Queens & Nassau (N.Y.)	125
Staten Island (N.Y.)	10

The high wages at Ford, combined with an active recruitment of minority workers, has resulted in its work force being composed of 38% Negroes and Puerto Ricans. This is in contrast to the Long Island findings of 8.7% Negro and 4.6% Puerto Rican composition of the Deer Park work force and 8.8% Negro and 3.8% Puerto Rican at Lake Success plants, despite the closeness of Wyandanch to Deer Park and of Jamaica (a largely black community in Queens) to Lake Success.

However, the attractive wages at Ford were not able to prevent a high turnover, which averages about 20% annually, with a chronic labor shortage of about 400 jobs. This turnover rate, however, is better than that at Lake Success, which Gayer established to be 22% and that at Deer Park, which he found to be 27%.

Inquiry established that the reasons for the turnover at Ford, as seen by the Union, were: (a) long trip to work, (b) night work, (c) heavy workload and (d) no prospect of finding house close to the plant.

Black and Puerto Rican employees tend to travel the longest distances to the Ford plant at Mahwah since they come mainly from Harlem, Paterson, Newark, the Oranges and Brooklyn. The only exceptions are some 400 workers who live in Spring Valley, Rockland County, across the New

York State line from the plant. The Spring Valley ghetto has been described as containing some of the most wretched housing to be found anywhere in the nation, including the deepest South. It consists of 1920's vintage summer bungalows of one or two rooms that have been overcrowded by Negro families in desperate need of shelter. It is an anomaly that relatively well-paid Ford employees, who can afford a new car and a color television set, are confined in housing described as that of a quality "most farmers would not use for their livestock."

The Ford plant suffers from an unusually large absentee rate. Absenteeism seriously interferes with production because of the nature of an assembly line operation, which places a premium on interdependence of operations. Since employees can get to the plant only by automobile, bad weather cuts down on attendance and fosters lateness. Because so many employees travel in car pools, the absence of the car owner can result in anywhere from one to four additional absentees.

#### Residence and Job Opportunities

The studies of Lake Success and Deer Park plants concluded that "if a worker looking for a job is restricted to the vicinity of his home, he is unable to exploit the full potential of the labor market. The determinants of the size of a job seeker's search area are his knowledge of where jobs exist, the location of the job sites in relation to his residence, the cost of commuting to work or the possibility of moving to a more advantageous address. . . While not all moves are job related, studies have shown that most changes in residences are made in conjunction with the finding of a better job."

Inquiry of whether employees lived at their present address when they got their job in a Lake Success or Deer Park plant, or whether they moved subsequent to getting the job, produced some interesting results. Among workers earning over \$10,000 per year, the large majority lived elsewhere when they got the job (74% of those in Deer Park plants and 67% in Lake Success plants). That they succeeded in locating conveniently to their jobs is indicated by the fact that 85% of those in this salary bracket at Deer Park travelled less than thirty minutes to work, while 77% of those at Lake Success travelled within the same time limit.

"By contrast among workers earning below \$5,000, 97% in Lake Success and 83% in Deer Park found their jobs while living at their present addresses, indicating a job search area equal to their commuting area. As 92% of these workers lived within 30 minutes of the plant, their search area was very small. This is consistent with the fact that most of the workers earning below \$5,000 were secondary-income earners who must accommodate their work schedules to patterns of home life. They, therefore, tend to work close to home in order to limit the hours spent away from the house and children. If their firms change locations, these workers are more likely to change jobs rather than follow the firm or endure long commuting trips."

What about the moderately-paid workers who are primary breadwinners for their families? It was found that "workers in the middle range earning between \$5,000 and \$10,000 a year were the most disadvantaged laborers in the suburban market. They, too, as heads of families like their higher-income co-workers, would be expected to move in response to job opportunities. Yet only 8% of middle-income employees in Deer Park and 12% of a

similar group in Lake Success moved into the sub-labor market area after finding jobs with the firm or after the firm relocated in the industrial park. Thus, the search area was no greater than the commuting area for 75% of Deer Park workers and 84% of Lake Success workers. Though functioning in the labor market as primary wage earners, middle-income workers operated more like secondary-income earners. Their labor market behavior was inferior to their income requirements."

A comparison of commuting distances of upper- and middle-income workers at Lake Success reveals that both classes of workers travel an equal distance to work. However, in Deer Park, commuting distances of the middle-income workers were longer than their higher income colleagues. Thirty-one percent of the former group commuted over 30 minutes to work while only 16% of the latter group did. Fewer Deer Park middle-income employees could afford to move into the sub-labor market and compensated for this by commuting longer distances. The longer commute does not indicate an enlarged search area for these workers, but rather that they followed the firm in its move from a location near their home in New York City to the Deer Park industrial complex. The fact remains that most middle-income workers who successfully found jobs in the industrial park were already living in the area.

#### Minority Employees As Reverse Commuters

Information on employment by race is difficult to obtain. At a time when discrimination was flagrant and legal, most employment records showed the race (and often religion) of employees. The prohibition of racial data in company records is now used, especially by employers with few or

no minority workers, as the basis for refusing to give information on the racial breakdown of their labor force, even if based only on their best knowledge from observation.

Federal law now requires that every employer of over 100 workers submit an annual report on the racial characteristics of his work force (for employers with government contracts such a report is required from those having 50 or more workers). These data, gathered by the Equal Employment Opportunity Commission, are available under restrictions designed to prevent dissemination of data in such a manner as might disclose the racial characteristics of the work force of any single establishment. EEO data that are available are extremely valuable as an indication of racial employment patterns for the large to middle sized firms by 2-digit Standard Industrial Classification and for individual counties.

EEO data for Bergen County for 1966, for example, reveal that for those firms required to report the racial characteristics of their work force, totalling some 91,740 employees, 7,762 (8.5%) are Negroes and 4,422 (4.8%) are Puerto Ricans. Since the resident Negro labor force totalled only 10,606 in 1965, either an extremely high percentage of Bergen's black workers were employed in the larger establishments that filed reports or a considerable number of blacks worked in Bergen County but lived elsewhere. Since Bergen County is but minutes from Harlem via the George Washington Bridge and borders on the heavily non-white cities of Paterson and Passaic, it is likely that the latter possibility is the answer. This is also indicated by the fact that the 4,422 Puerto Ricans reported in EEO returns as working in Bergen County contrasts with the 1965 resident Puerto Rican labor force of only 969. The disparity indicates a heavy

percentage of Puerto Rican commuters to Bergen jobs from East Harlem and Hudson and Passaic Counties.

#### Present Obstacles to Reverse Commuting

RPA's staff will study the potential and problems of reverse commuting from city to suburban job for the minority worker. However, preliminary findings by Pollard and Gayer indicate that present systems and facilities preclude reverse commuting as a practical arrangement for all but a few central city residents. Public transportation between city and suburb is widely criticized as inadequate for the function it was designed to perform, viz., the movement of suburban residents to white-collar jobs in the center of cities. It is almost useless for most trips to work that originate in a central city neighborhood and end at a suburban establishment.

The problems involved in car pool arrangements were prominent at Mahwah and the Long Island plants, especially the uncertainties created by the driver's absence, lay-off or termination. Others have recorded the costs of car ownership and operation, especially high for city dwellers.

Pollard made a study of two experimental projects that tested the feasibility of special bus services to carry workers from ghetto areas to employment centers in Bergen and Nassau Counties. Neither of these projects proved successful and both have since been terminated. Evaluation of the reasons for failure are as follows:

1. It turned out that there were fewer jobs available than had been listed in surveys made prior to inauguration of the bus service.



2. Wages paid for these jobs were not sufficiently high to make them attractive when compared to other low-paid jobs closer to the workers' homes.
3. The bus fare was considered high by the riders; 25¢ to 60¢ one-way in Nassau and 55¢ in Bergen.
4. The bus ride took much longer than was considered reasonable because the route wound through several ghetto areas. The Bergen bus left Paterson at 7:05 AM and dropped the last riders in South Bergen at 8:32 AM.

Though it was not possible to secure specific data, some information indicated that those bus riders who found the job worth keeping used it to establish their credit for the purchase of a used car for travel to work. Findings on these two bus projects will be issued in a separate report.

#### Suburban Employment Concentrations

As part of the study's methodology, RPA staff has sought to identify suburban locations that are highly typical of the concentrations of employment which develop outside of central cities. This effort has involved extensive mapping of the existing distribution of manufacturing, transportation, communications, utilities, warehousing, office and other commercial floorspace by square mile in the Region, in order to array the small area distribution of those industry types which tend to concentrate employment at the sub-regional (i.e. non-local) scale in suburban areas. This same exercise has also required the mapping of the existing distribution of non-white and Puerto Rican population by small area in the Region, the shifts in the location of minority population 1960-1968, the shifts in the location of industrial "mover" firms by small area, and the distributions of vacant and passive land area by square mile in the Region.

Suburban employment concentrations were then selected in the following manner. The map of "mover" firm activity was overlaid with the various maps of activity, floor space, available land area, the existing transportation network, and the present location and recent shifts of minority population in the Region. Weaknesses apparent in the accessibility relationship between the residential location of non-whites and Puerto Ricans, the recent growth nodes in suburban industrial jobs, the existing concentrations of industrial and commercial employment opportunities, and the transportation linkages between home and work, pointed toward the selection of ten employment complexes in the seven study counties as being most representative of the array of activity and accessibilities, opportunities and dis-opportunities confronting the minority labor force in the Region.

Four additional employment complexes were also selected because they represent locations of anticipated industrial, commercial and office development which will become relevant to the problems of minority employment opportunity within the time-space of the forecast period. These decisions were based in part on known shifts and preferences in location of certain activities (such as headquarters offices), planning proposals on a county and regional scale, and the availability of developable land. Supplementary work on the collection of zoning ordinances within the study counties is currently underway. The land-use pattern for future development, which emerges from the mosaic of zoning ordinances, will be used to distribute the projected employment growth on a small area basis. It is expected that future employment complexes, which come to light through this procedure, will also present themselves as locations of near-term minority employment opportunity.

The following fourteen suburban employment concentrations have been identified:

1. Plainview-Hicksville (Nassau)
2. Farmingdale (Suffolk)
3. New Canaan (Fairfield)
4. Danbury (Fairfield)
5. Shelton-Stratford (Fairfield)
6. Mahwah-Oakland (Bergen)
7. Paramus-Maywood (Bergen)
8. Hackensack-Teterboro (Bergen)
9. Mt. Vernon (Westchester)
10. White Plains (Westchester)
11. Metuchen-Edison (Middlesex)
12. South Brunswick (Middlesex)
13. Caldwells-Fairfield (Essex)
14. Port Newark - Airport (Essex)

It should be noted that these concentrations do not necessarily represent, in total, the group of largest and most rapidly growing suburban employment complexes. Rather, by intent of the methodology, the selection process produced a mix of suburban complexes and, hopefully, achieved a balance of those which differed with regard to activity, transportation services, relative accessibility to minority groups and growth potential, in order that the results of the analysis may have applicability to other urban settings.

For example, the Farmingdale concentration represents one type of suburban employment center. As of 1963, its establishments provided 30,000 jobs, two-thirds of which were in the manufacturing sector. Retail, finance and professional services were under-represented in the area, with little more than 10% of total employment. Between 1959 and 1968, some 436 manufacturing firms moved into the Farmingdale concentration, but its labor market remained relatively unchanged in share of minority population (5.2% of total in 1968). The concentration's employment for 1985 is tentatively

projected to increase to 60,000.

Another type of employment concentration is represented by Mt. Vernon in lower Westchester County. Compared to Farmingdale it is far more compact, being contained within eight square miles, and already has a substantial minority population base (33% of total population in the concentration and 14% of total in the labor market as of 1968). The Mt. Vernon area provided employment in 1963 for 20,000 persons. Whereas manufacturing represented two-thirds of all the jobs in the Farmingdale concentration, it provides less than one-third of all jobs in the Mt. Vernon concentration. Yet in this area, and the southern Westchester tier bordering on the Bronx, remains the only portion of the county willing to accommodate further industrial growth. Between 1959 and 1968, some 37 manufacturers moved to the Mt. Vernon area. The area is well represented in central city functions with trade, services, finance and government accounting for more than half of total employment. The concentration's employment is tentatively projected to reach 40,000 by 1985.

The occupational profile of the Paramus-Maywood concentration differs markedly by the high percentage of professional and trade employment it provides. Of the 20,000 employed within its 22 square miles, only 5,000 were engaged in manufacturing in 1963. Retail trade employed more than one-fifth, reflecting the presence of two major regional shopping centers and several other large retail establishments. Professional services employed over 3,000, reflecting both laboratory and office activities. (Of the 31 manufacturing firms that moved into the area between 1959 and 1968, eight were technology oriented and 14 were national market firms.) Professional and technical personnel composed the largest single occupational group,

holding more than one-fourth of total jobs, while operatives and laborers represented little more than one-tenth. Moderate-skilled white-collar positions in the clerical and sales fields represent more than one-fourth of total employment in the concentration, and over 10% of such jobs in the county, but minority residence in the labor market area is weak (6% of total, 1968) despite the fact that portions of southern Pas-saic County lie within the concentration's reach. Employment growth by 1985 is tentatively projected to 65,000, more than tripling that of 1963.

The purpose of designating these suburban employment concentrations was twofold: first, the study methodology specified that these concentrations would provide the framework for a firm survey soliciting responses on minority employment opportunity from a representative sample of existing establishments; and second, these concentrations would provide areas of immediate and near-term employment focus around which labor market cordons, of a reasonable journey-to-work travel time for low-to-moderate skilled workers, could be drawn to delineate potential locations of low- and moderate-income housing.

Based on trip origin and destination findings of the Tri-State Transportation Commission's Household Interview Survey, and door-to-door travel times established on the Regional Plan Association mixed-mode transportation network, labor market areas have been drawn around the selected employment concentrations. The land use, activity mix, and demographic characteristics of the concentrations and their labor market areas have been summarized. Effort is currently being directed toward

detailing recent activity growth changes in the areas (in order to facilitate projecting future change), and converting existing employment opportunities by industry to occupational demand. Contacts established with the various states' Departments of Labor will hopefully result in securing detailed racial and occupational characteristics of the insured unemployment beneficiaries presently residing in the areas.

#### Survey of Suburban Industries

A vital source of data for the study of suburban economic development and employment potential will be a survey of some 400 establishments, 300 of which lie within the 14 employment concentrations and 100 of which are in Nassau and Middlesex Counties as general labor markets outside of the concentrations. The latter will serve as a control group to permit comparison of the characteristics of firms within the concentrations with those in old established centers or in scattered locations.

The interview technique and questionnaires to be used are being based on the prototype study made by Gayer in Lake Success and Deer Park, with modifications suggested by his experience. An original questionnaire of some 80 questions has been reduced to about 40 questions. These deal with the previous location of the establishment, composition of its work force by race, occupations, skills, wages, source of manpower, training and upgrading practices, job vacancies, turnover, etc. Economic Consultants Organization has been engaged to conduct the survey, which will be underway from March through June. Computation and analysis is expected to be completed by September.

The sample of 400 firms to be interviewed in the 14 employment concentrations and the two country-wide labor market areas has been selected to conform with the distribution of manufacturing and non-manufacturing employment among the areas. The firms to be actually interviewed were selected by a random number process from a universe of over 3,000 firms located in the areas. The procedure for sample selections was as follows:

The universe of firms was constructed from the establishment reportings of Dun and Bradstreet, Million Dollar Directory and Middle Market Directory, the three states' Industrial Directory, the file of mover firms recorded by the states' Departments of Commerce, Polk's Directory of Banks, and various directories covering specific industries or county establishments. The mix of industrial codes in the individual concentrations was taken as the control for selecting firms within the complexes. The size of the concentration sample within the universe controlled the share of firms each concentration contributed to the 300 grouping. The mix of establishments in the two counties to be surveyed outside the concentrations was taken from Social Security establishment reportings (county establishments minus concentration establishments), and weighted to approximate the desired all-over split between manufacturing and non-manufacturing firms. Individual firms were then selected using a table of random numbers, given the industry and area controls, and the universe of firms in the concentrations and labor market areas. Firms which had fewer than 50 employees were rejected. In cases where no firms were listed in any of the sources, for a particular SIC group in the concentration, the firm was reassigned to another SIC group and the sample drawing process repeated.

Most of the 300 sample firms in the employment concentrations are in Essex (85 firms) and Bergen (70 firms). Middlesex County provides an additional 30 to the New Jersey sector. Long Island contains 52, and the Northern sector (Westchester and Fairfield) has 63 firms. Seventy-seven of the 100 labor market sample firms are located in Nassau, and 23 in Middlesex. The greater amount of development outside the concentrations in Nassau accounts for its large portion of the sample. The industry mix resulting for the total sample was 229 manufacturing firms and 171 non-manufacturing firms.

#### Types of Suburban Jobs Held by Minority Workers

Clearly, accessibility to growing job opportunities represents only a part of the picture. Skills of the minority labor force must of needs match the profile of demand. RPA's staff is currently working on the skill projection on the minority labor force for the selected suburban counties and New York City. Such factors as increasing educational attainment and the differing skills associated with migrant groups over the future are being taken into consideration in the preparation of a computer model to forecast the future minority labor force supply by major occupation.

New statistical evidence is now available on the extent to which the lower earnings of blacks and Puerto Ricans can be attributed to a "skills gap" as compared to attributing it to discriminatory practices. These findings, in separate studies by Ashenfelter, Thurow and Nellums, invalidate the assumption of past studies, that the present occupations of Negroes and Puerto Ricans are an index of their skills. Professor Orley



Ashenfelter's computerized analyses of 43,000 employers' returns to the Equal Employment Opportunities Commission in 1966, covering 26 million employees, were the basis of a finding that "the lower educational level of some minority groups is a factor in their lower occupational status, but statistical analyses using two different approaches show that it accounts for only about one-third of the differences in occupational ranking between Negro men and majority group men; the inevitable conclusion is that the other two-thirds must be attributed to discrimination, deliberate or inadvertent."

National data show that the number of Negro youths at the ages of 18 and 19 attending school has increased from 35% in 1960 to 45% in 1968. The percentage of Negro males who completed four years of high school or more has risen dramatically from 36% in 1960 to 60% in 1968, indicating that most young blacks now enter the labor force with a high school education. However, it is also known that white high school drop-outs earn more than do Negroes with a high school diploma.

Information on manpower training programs has been gathered from the prototype survey at the Lake Success and Deer Park plants, from the study of the wholesale and retail industries and at Ford's Mahwah plant. Harold Pollard, NCDH manpower specialist, is coordinating these findings with some preliminary investigations of training programs either operated or funded by Federal agencies, such as the Department of Labor, or O.E.O. A comprehensive evaluation of manpower policies and training programs will be made by Pollard this spring and summer, based, in part, on the findings of the survey of the 400 suburban managements.

The job categories in which the black and Puerto Rican labor forces are concentrated in suburban counties are largely operative, laborer and service worker, as shown in the following table, based on EEO data supplied by employers of 100 or more and those of 50 or more with government contracts.

# MINORITY EMPLOYMENT IN SELECTED COUNTIES

NY

## JOB CATEGORY FOR INDUSTRIES REPORTING TO EEOC

<u>Job Category</u>	<u>Bergen</u>					<u>Suffolk</u>				
	<u>Total</u>	<u>Negro</u>	<u>%</u>	<u>Sp. Sur.*</u>	<u>%</u>	<u>Total</u>	<u>Negro</u>	<u>%</u>	<u>Sp. Sur.*</u>	<u>%</u>
Officials & Managers	7,729	100	1.3	48	0.6	2,112	12	0.6	11	0.5
Professionals	7,010	108	1.5	66	0.9	4,068	37	0.9	23	0.6
Technicians	6,075	226	3.7	68	1.1	3,279	69	2.1	41	1.3
Sales Workers	6,762	83	1.2	28	0.4	1,518	7	0.5	3	0.2
Office & Clerical	18,661	567	3.0	230	1.2	4,632	87	1.9	38	0.8
Craftsmen	11,693	557	4.8	339	2.9	4,080	135	3.3	82	2.0
Operatives	19,977	3,278	16.4	1,944	9.7	4,365	284	6.5	356	8.2
Laborers	8,507	1,770	20.8	1,551	18.2	1,596	300	18.8	162	10.2
Service Workers	5,326	1,073	20.1	148	2.8	1,755	313	17.8	100	5.7
All Categories	91,740	7,762	8.5	4,422	4.8	27,405	1,244	4.5	816	3.0

Source: 1966 EEO-1 Data: Based on reports from all employers of 100 or more and those of 50 and more having Government Contracts.

\* Spanish Surname

# MINORITY EMPLOYMENT IN SELECTED COUNTIES

BY

JOB CATEGORY FOR INDUSTRIES REPORTING TO EEOC

<u>Job Category</u>	<u>Westchester</u>						<u>Fairfield</u>					
	<u>Total</u>	<u>Negro</u>	<u>%</u>	<u>Sp.</u> <u>Sur.*</u>	<u>%</u>		<u>Total</u>	<u>Negro</u>	<u>%</u>	<u>Sp.</u> <u>Sur.*</u>	<u>%</u>	
Officials & Managers	7,958	107	1.3	39	0.5		10,122	74	0.7	45	0.4	
Professionals	8,053	243	3.0	64	0.8		11,064	97	0.8	53	0.5	
Technicians	6,060	460	7.6	57	0.9		6,833	223	3.3	52	0.8	
Sales Workers	6,314	159	2.5	45	0.7		6,639	110	1.7	24	0.4	
Office & Clerical	19,048	941	4.9	247	1.3		20,939	619	3.0	152	0.7	
Craftsmen	6,061	456	7.5	213	3.5		17,770	617	3.5	329	1.9	
Operatives	15,575	3,320	21.3	1,818	11.7		33,578	3,375	10.1	1,777	5.3	
Laborers	4,142	1,026	24.8	362	8.7		11,050	1,952	17.7	1,178	10.7	
Service Workers	7,098	2,363	33.3	305	4.3		6,329	1,310	20.7	339	5.4	
All Categories	80,309	9,075	11.3	3,150	3.9		124,324	8,377	6.7	3,949	3.2	

Source: 1966 EEO-1 Data: Based on reports from all employers of 100 or more and those of 50 and more having Government Contracts.

\* Spanish Surname

## II. HOUSING OPPORTUNITIES

### Where Negroes and Puerto Ricans Live\*

There were 3.6 million non-whites and Puerto Ricans in the New York Metropolitan Region in 1968. They represented 18% of an estimated population of 20 million. The vast majority of minority persons (70%) live in New York City, though it contains only 40% of the region's population. Between 1950 and 1968, the city experienced a net out-migration of two million white, non-Puerto Rican persons. Over the same period, nearly three-quarters of a million non-white and Puerto Rican net in-migrants were added to the city's population base. Supplemented by the natural increase of population, the city's minority profile has increased sharply from 13% of total population in 1950 to 30% in 1968.

Within the city, Negroes and Puerto Ricans are concentrated within six massive ghettos: Central Harlem, East Harlem, Morrisania, Mott Haven, Bedford-Stuyvesant and Fort Greene. These six areas account for about 44% of the city's racial minorities. The remaining 56% (some 1.4 million persons) live in every other neighborhood in the city, where they constitute from as few as 4.2% (Maspeth-Forest Hills) to 49.4% (Brownsville), as shown on accompanying tables giving the distribution of non-white and Puerto Rican population within New York City and ranked by percentage.

Since 1960, significant shifts have occurred in the location of minority persons within the city. Harlem has declined in non-white and Puerto

\* Based on statistical data on the growth and locational shifts of the post-censal minority population prepared for this study by RPA staff.

Rican population, while a great influx into the southern Bronx has taken place. The Bedford-Stuyvesant ghetto has spread and the Lower East Side has grown substantially in Puerto Rican population. Should present trends continue unabated, the city stands to lose nearly another two million white, non-Puerto Ricans by 1985, while total minority population will top 50% of the city's total.

On a regional percentage basis, the distribution between the core area and the suburbs has changed little over the post-war period. However, some 1.2 million non-whites and Puerto Ricans now live outside of New York City, concentrated in old city slums in places like Newark, Trenton, and Paterson (N.J.), Bridgeport (Conn.), and Yonkers (N.Y.), and in growing "black belts" formed by the linking up of old mini-ghettos that expand from both natural increase and in-migration. A classic demonstration of this process is the belt that has grown out from Newark to extend continuously through East Orange, South Orange and Montclair. A similar phenomenon is the belt that links the ghettos of Englewood, Teaneck and Hackensack, also New Jersey communities.

What emerges from a mapping of the distribution of the racial minorities in New York City and the areas outside the city is the "lily whiteness" of the vast majority of suburbs in contrast to New York City's neighborhoods.\* Only two of New York City's 30 neighborhoods have less than 5% black and Puerto Rican population. Another five neighborhoods have a

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\* New York City neighborhoods as defined by RPA for this study average about 250,000 population. While this is many times as large as the average size of even the larger suburban municipalities, they are comparable in that they each compose inclusive communities. The city neighborhoods are larger in population than suburban municipalities, but they are smaller in area. Consequently, the far higher density of population in New York City makes for greater proximity of the residences of the races, compared with low-density suburban communities.

minority population of 5% to 10%. To find suburban municipalities with 5% to 10% minority population is to come upon islands of democratic living in contrast to usual suburban patterns. Typical of the latter are sizable communities such as Fairfield, Conn., with a population of 56,700, of whom 56,262 are white; Fair Lawn, N.J., with a population of 39,326 of whom 39,070 are white; Irvington, N.J., with a population of 64,526 of whom 63,240 are white; Sayreville, N.J., (mostly brand new) with a population of 30,549 of whom 30,434 are white; Oyster Bay, N.Y., with a population of 360,098 of whom 352,792 are white; Smithtown, N.Y., with a population of 103,610 of whom 101,338 are white; Yorktown, N.Y., with a population of 25,399 of whom 25,034 are white; and Harrison, N.Y., with a population of 21,283 of whom 20,928 are white. Most of these communities have less than 2% non-white population (many less than 1% non-white) in a metropolitan region in which racial minorities compose 18% of the population (See Appendix 4, Tables A, B and C).

Indeed, among the seven suburban counties selected for this study, several had absolute declines recorded in the net in-migration of minority persons for the decade of the 1960's, as compared to the 50's. In Nassau County (N.Y.), for example, non-white net in-migrants numbered 18,500 between 1950 and 1960; by contrast, the period 1960 to 1970 experienced an estimated net in-migration of only 13,200 non-whites. The following table illustrates the suburban population growth occurring in all the selected counties through net in-migration only.

Net In-Migration of the Minority Population  
To Study Area Counties, 1950-1970

<u>County</u>	<u>1950-1960</u>	<u>1960-1970</u>	<u>% Change</u>
<b>FAIRFIELD</b>			
Non-white	12,683	7,855	- 38.1%
Puerto Rican	5,300	14,052	+165.1%
<b>BERGEN</b>			
Non-white	4,136	5,888	+42.35%
Puerto Rican	1,600	546	-65.9%
<b>ESSEX</b>			
Non-white	46,845	91,448	+ 95.2%
Puerto Rican	7,900	23,798	+201.2%
<b>MIDDLESEX</b>			
Non-white	3,804	5,114	+ 34.4%
Puerto Rican	3,600	3,626	+ 0.7%
<b>NASSAU</b>			
Non-white	18,546	13,239	- 28.6%
Puerto Rican	3,460	1,327	- 61.7%
<b>SUFFOLK</b>			
Non-white	17,149	17,564	+ 2.4%
Puerto Rican	5,800	2,475	- 57.3%
<b>WESTCHESTER</b>			
Non-white	15,191	12,453	- 18.0%
Puerto Rican	2,400	1,975	- 17.7%

Source: 1960 Census and RPA estimates for 1960-1970 prepared for this study.



### Implications of Suburban Residence for Employment Opportunities

Our study of the retail and wholesale industries and our investigation of the two Long Island industrial parks found that most moderately-paid employees seek work within convenient commuting range of their residence. It was found that most higher-paid employees (over \$10,000) who search for positions beyond commuting range expect to move to a more convenient location once they have the job and that most of them do. These findings confirm patterns of home/job relations by occupation and income observed in a long line of journey-to-work studies, notably that by Louis K. Lowenstein in his "Residences and Work Places in Urban Areas," which contains illuminating documentation of home/work distance by occupational groups.

The limitations imposed by travel distance from home location on moderately-paid employees is more pronounced for city dwellers who consider the suburban job market because of the added costs and inconveniences of reverse commuting.

Where the job-seeker lives, therefore, becomes a crucially important determinant of his range of employment opportunities. With 70% of all new jobs being created outside of New York City, and 100% of all new manufacturing jobs, it is obvious that residence within New York City severely reduces the opportunities to take advantage of such jobs.

Unless massive numbers of Negroes and Puerto Ricans have opportunities opened to them to live in the suburban communities that are within convenient travel time to the new employment concentrations, they will have to forego the job opportunities already there as well as the vast number of new jobs projected for such locations.

The study seeks to answer the question of why non-whites are under-represented in all but a few suburbs (in which they are usually over-represented). The answer that presented itself early and easily was that non-whites could not afford to live in most suburban communities because the income distribution left all but a tiny number of non-whites below the required level. What this answer suggests is that the vast majority of blacks are simply the victims of economic segregation, a form of discrimination which they share with a large portion, if not the majority, of the white population.

Even if this explanation were accepted as the simple answer for a complex phenomenon, it would lead logically to the question of whether the use of public powers (granted to local governments to be used on behalf of the general welfare) to practice economic discrimination is compatible with the public welfare. The universal complaint of suburban employers about labor shortage and the high rate of unemployment in city ghettos suggests that economic segregation is not in the public interest. Aside from the rights of citizens to freedom of choice in employment and residence, it would seem that a practice that undermines the economic and social health of the nation is contrary to the general welfare.

The study's findings referred to previously under the heading of "Employment Opportunities" strongly suggest that the general welfare requires the availability of an adequate supply of suburban housing at costs that are compatible with the earnings of employees of suburban establishments, both manufacturing and non-manufacturing. The study, therefore, set itself the objective of identifying the constraints on the construction of such housing.

However, before accepting the cost of housing as an explanation for the under-representation of non-whites in most suburban communities, knowledge of particular communities indicated that cost is not the complete explanation.

While cost explains the absence of lower-income earners of all races in communities with little or no housing available at cost levels within the means of industrial workers, it cannot explain the absence of non-whites from suburban communities that have a wide range of housing prices and are inhabited by whites who earn their living as construction workers, truck drivers, craftsmen, operatives, clerks and laborers. It cannot explain the existence of places like Clifton, N.J., a city of almost 90,000 population, with housing of every type and price level, but only one racial type -- white.\* Clifton is about twenty minutes from the Lincoln Tunnel and is a major employment center for both manufacturing and non-manufacturing. It borders Passaic and Paterson, cities with a high percentage of Negroes and Puerto Ricans, many of whom work in Clifton. In communities in which the cost of housing is not the explanation for the absence of racial minorities, there must be other forces at work that keep them all-white. The study, therefore, also set itself the objective of finding out how minorities are excluded from communities where they could afford the housing.

Investigations are being made, therefore, to identify and describe two factors that serve to impede the access of minorities to suburban housing:

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\* The 1960 Census showed Clifton to be 99.9% white -- whiter than Ivory Snow, whose advertising boasts 99.44%. In that year 35% of its households were renters and 40% of them paid a rental of \$80 per month or less. Some 42% of its houses were built before 1929 and 22% of them sold for under \$15,000.

(1) constraints on the supply of moderate-cost housing, and (2) discrimination in sales and rentals.

### The Housing Supply

The New York Metropolitan Region is experiencing an increasingly severe housing shortage. The vacancy rate in New York City and most suburban counties is moving below 2% (a vacancy rate of 5% has traditionally been considered normal). Though the growing housing shortage is national in scope, its effects are especially critical in the New York Metropolitan Region because of its desperate need for an ample supply of housing to permit maximum freedom of choice to households to relocate in relation to the changing geographical pattern of employment. Barriers caused by similar geographic patterns exist in all of the nation's larger metropolitan regions; they are, of course, less critical in the smaller ones.

The National Housing Act of 1968, in response to studies and recommendations of two prestigious Presidential Commissions, established a national housing goal of 26 million units by 1978. To achieve it, the nation should be building an average of 2.6 million units per year. In 1969 there were about 1.25 million units built, or less than half the goal; the poorest record of performance within the last two decades. Meanwhile, the rate of family formations is increasing, reflecting the rising birth rates of the years immediately following World War II. The acute shortage is escalating the sale price of housing and pushing rents upwards.

The decline of housing starts in the suburban counties can be more fully realized by noting the drastic drop in starts in the New Jersey counties in which NCDH staff conducted studies in the past year. Bergen

declined from 6,404 starts in 1963, its peak year of the decade, to 4,362 in 1968, the last year for which figures are available. This is a county in which some 10,000 new jobs have been created every year during the past decade. Middlesex declined from a peak of 9,049 starts in 1964 to 4,579 in 1968. Morris declined from a peak of 7,629 in 1964 to 2,740 in 1968.

An annual average rate of 170,000 new units is needed in the 31-county New York Metropolitan Region according to the RPA findings. This number is necessary to provide for an annual increase in households of about 100,000, and an annual replacement or rehabilitation of about 70,000 sub-standard dwelling units to reduce, and in the course of 25 years to eliminate, the backlog of such units. (The 1960 Census listed 736,000 units as deteriorating or dilapidated, of which 411,000 were in New York City.) While the rate of new construction in the 1950's fell short of an adequate number of replacements of sub-standard units, it did supply enough new housing to keep abreast of the new household formations and replaced about 24,000 sub-standard units per year. The 97,000 new starts in 1966 and 1967 are barely adequate for the number of new households forming annually, let alone permitting any replacement of sub-standard units.

The 1960 Census showed Negroes housed in units that had a higher percentage of deterioration or dilapidation than whites; in structures of greater age; and that a greater proportion were renters rather than owners. For those Negroes who owned, the average value of their property was considerably less than that of whites. The ability of blacks to upgrade their housing is increased in proportion to the sufficiency of supply of new housing to meet overall needs. The opportunities of minority households to improve their housing during a critical housing shortage is reduced in the same manner as minority workers' opportunities to upgrade their em-

ployment. The ability of minority households to relocate in the suburbs in pursuit of improved employment opportunities is especially related to the adequacy of the supply of housing. A shortage of housing not only increases prices but also facilitates discrimination against ethnic minorities.

#### Rising Sale Prices and Rents

The cost of housing has increased sharply during the decade of the 1960's, but especially since 1967. FHA data for the States of Connecticut, New York and New Jersey for the period of 1960 to 1967 showed a 25% jump in the median value of new homes in Connecticut, 28% for New Jersey, and 13% for New York. Prices of existing homes insured by FHA in 1967 had increased since 1960 as follows: Connecticut, 12%; New Jersey, 29%; and New York, 23%.

Rentals in new apartment houses averaged \$173.82 per month in 1960 in Bergen County. For those built in 1968, rentals averaged \$197.45. Comparable figures for Essex County are \$162.97 in 1960 and \$182.32 in 1968; for Middlesex County they are \$136.09 in 1960 and \$153.60 in 1968. In averaging these rents, all apartments built each year were included without regard to size. The trend has been toward the construction of a higher proportion of smaller apartments, mainly one-bedroom. The increase in rent, therefore, represents more money for less space. The average rent in these New Jersey counties is now about \$45 per room, or about \$135 for a one-bedroom apartment and \$180 for a two-bedroom apartment.

A study of housing prices listed in the New York Times and Newsday (Long Island) by RPA showed that the dominant ranges were \$35,000-\$50,000 in Nassau and the western two towns of Suffolk; \$45,000-\$65,000 in West-

chester; and \$30,000-45,000 in Putnam, Rockland and Orange Counties. It is estimated that incomes of \$17,000, \$22,000 and \$15,000 per year respectively would be needed to afford a house at the midpoint of those dominant ranges.

A study of the price of one-family houses in New Jersey suburban areas by Joan Hendrickson, NCDH Research Associate/Housing, concludes "that families earning less than \$10,000 per year (using  $2\frac{1}{2}$  x income ratio) cannot afford homes at today's market prices." Average weekly earnings by production workers in New Jersey's manufacturing establishments were \$136.78 in November 1969, or \$7,112.56 for an uninterrupted 52 weeks of work.

Hendrickson's findings for the counties studied were:

Housing Prices by Selected County

New Jersey, 1969

<u>County</u>	<u>Dominant Range</u>	<u>Mid-Point</u>	<u>Percentage of Families with Income Less than \$10,000*</u>
Bergen	\$30,000-50,000	\$ 40,000	56
Essex	25,000-50,000	37,000	62
Middlesex	30,000-40,000	35,000	67
Morris	25,000-45,000	35,000	56
Passaic	\$26,000	26,000	72

\* Source: Sales Management, D Series, June 10, 1969

The Northwest Bergen Board of Realtors reports the following distribution of house sales in its area for 1969-70:

<u>Selling Price</u>	<u>Number of Sales</u>
Under \$20,000	10
20,000-25,000	42
25,000-30,000	136
30,000-40,000	412
40,000-50,000	251
50,000-60,000	139
60,000-70,000	81
70,000-80,000	31
80,000-90,000	13
Over 90,000	12

This same Board reports that the average sale price of houses sold in its area had risen from \$31,000 to \$43,000 from 1966 to 1969.

Reports on the sale prices of homes in less expensive portions show similar sharp rises. Central Bergen, which encompasses the communities of East Paterson, Emerson, Fair Lawn, Garfield, Hackensack, Hasbrouck Heights, Little Ferry, Lodi, Maywood, Moonachie, Paramus, River Edge, Oradell, Rochelle Park, Saddle Brook, South Hackensack and Teterboro, had 207 sales that averaged \$27,000 per house during the six months of January-June 1968. A year later, January-June 1969, this area had 200 sales that averaged \$32,450.

In South Bergen, with a heavily blue-collar population in Carlstadt, East Rutherford, Lyndhurst, Moonachie, Rutherford, Wallington and Woodridge, some 125 house sales were reported for January-June 1968 that averaged \$26,178. A year later, January-June 1969, this area had 92 sales that averaged \$30,058.



For the same six-month periods in heavily industrial Passaic County, 461 sales in 1968 averaged \$23,692 and 473 sales in 1969 averaged \$26,088. New homes in Passaic County advertised for last spring begin with a low of \$31,990 for a Cape Cod of 1,654 square feet of living area on a 75' x 125' lot in Wanaque, located in the more remote upper portion of the county.

#### Factors that Increase the Cost of Housing

The decline in number of housing starts, which creates a sellers' market and inflates prices, can be attributed to a number of factors:

(a) The shortage of mortgage money and high interest rates. The government's efforts to control rising prices by curtailing credit has diverted investment funds from the mortgage market to corporate bonds and other more attractive investments, driving up mortgage interest rates to historic highs of 7½%, 8% and now 8½%, and requiring larger down payments by home buyers. This has had the effect of eliminating successively higher income groups from the home buying market as carrying charges surpassed their ability to meet credit tests. Consequently, the homebuilding industry's potential of customers shrinks.

(b) The inflationary rise in the price of raw land in a highly speculative market. Population growth is a dynamic force that seeks living space on land that is a static quantity. The trend is still toward fastest growth in the metropolitan areas, which accounted for about two-thirds of the nation's population in 1960 and about three-fourths today. These areas grow because they contain the most attractive employment and entrepreneurial opportunities. Since access to these is determined by residential location, and because transportation improvements have generally lagged, there are limits on how far the population can spread

out in metropolitan areas. As densities increase, adjacent vacant land commands a higher price. The rising cost of land is reflected in the larger proportion of the cost of residential property represented by the site. In Connecticut in 1950, the cost of the site accounted for 14.5% of the sale price of the house; by 1967 it had risen to 20.5%. During the same period the cost of site rose from 16.2% of the sale price in New Jersey to 18.8%. In New York the figures were 16.0% to 18.8%. Land costs ran as high as \$1,500 per dwelling unit in apartment buildings constructed under New Jersey's Housing Finance Agency, a state middle-income program.

(c) The relentless upward movement of local property taxes. Municipalities and counties operated traditionally with wage structures below those of private industry for comparable skills. Teachers, policemen, firemen, street maintenance workers, nurses, bookkeepers and other local public employees are banding together and pressuring local government for increases. Welfare and the increased carrying charges for bonds for capital projects add to the escalation of local budgets and tax rates. Net N.J. residential real estate taxes were up 9.7% in 1969 from the previous year. At this rate taxes would double every decade.

(d) The increase in minimum lot sizes as zoned by suburban towns to increase the cost of property with the aim of excluding lower-income households. The trend toward ever larger minimum lot sizes, together with archaic building codes and subdivision requirements for excessive public improvements (thickness of pavement of local street, etc.) frustrates the efforts of the homebuilding industry to mass produce houses at a cost that would greatly expand the number of potential homebuyers. Along with excessively large lot sizes, is the exclusion of apartments from many suburban communities, worsening the housing shortage.

### The Trend Toward Multi-Family Housing

Historically, the American ideal in housing has been the one-family house on its own plot of ground. This preference has been traced to various roots by different scholars: the nation's image of Mount Vernon on its own hill; the rural childhood of so many middle-class suburbanites during a period when the native American farm population, rather than the offspring of European immigrants, loomed large among the upward mobile in the suburbanization process; the peasant background of the immigrants; the influence of the real estate industry and the slick-cover "homemaker" magazines in identifying the one-family unattached house as a status symbol; construction economics which favored wood as a building material, requiring the spacing of housing as a precaution against fire; and, since the late 1930's, the role of FHA in facilitating one-family house construction. Whatever the explanation, American housing, especially in the suburbs, has been overwhelmingly unattached single-family, especially that built during the 1950's, height of the post-war building boom. In the 1960's, the trend was for a rising proportion of multi-family starts each year, especially in large metropolitan areas and, above all, in the Mid-Atlantic Region.

In 1960, the housing stock of the 31-county New York Metropolitan Region contained 58.4% multi-family units. Despite the fact that almost two out of every three new units built between 1960 and 1968 were outside of New York City, 57.4% were in the multi-family category. In the New Jersey counties studied, Bergen County, with 29.7% of its housing stock in multi-family units in 1960, built 52.4% of its new units in that category from 1960 to 1968. The figures for Essex County are 66.2% multi-family stock in 1960; and 77.5% multi-family construction 1960-68. For Middlesex County, 20.8% in 1960; 52.6% in new multi-family units 1960-1968. Even such a low-density county as Morris upped its multi-family housing stock by building 37.1% of

new units in that category during 1960-1968, compared to 12% of that type in its total supply of housing in 1960.

The trend line is shown dramatically in what took place in the proportions of new dwelling units in Bergen County between 1960 and 1968:

<u>Year</u>	<u>Single-Family</u>	<u>Multi-Family (3 or more units)</u>
1960	3,490	949
1961	3,242	1,570
1962	3,128	1,400
1963	2,676	2,939
1964	2,511	2,815
1965	2,313	2,165
1966	1,822	3,207
1967	1,755	1,555
1968	1,559	2,375

The trend toward multi-family construction can be explained, in part, by demographic factors, especially the increase in the number of older families whose children no longer live at home and, in recent years, the increased rate of new family formations. However, statistics show that demographic trends are not the whole answer. (The demand for two-bedroom and, especially, three-bedroom apartments has long exceeded the supply.) For instance, the tight money market has made it easier for the corporate builder to mortgage new rental property than for the individual home buyer to mortgage a one-family house, especially under state laws establishing an interest maximum on loans to individuals.

However, it is becoming increasingly clear that a large part of the explanation for increased multi-family construction is that a growing number of American families cannot afford to own their homes as price levels move up faster than incomes, and they are forced to become renters. There is strong reason to believe that this is not an episodic condition but the emergence of a new historic trend away from the single-family house on its

own lot as the predominant type of shelter for Americans. The maturing urbanization of the population, resulting in increased pressures of people upon space, make the one-family house a luxury accessible to a decreasing percentage of families. It is likely that we are witnessing the "Europeanization" of housing in this country. The relationship of housing cost to income has long made most urban Europeans renters in multi-family buildings, or owners in multi-family cooperative housing. It appears unlikely that the recent increases of the cost of shelter relative to incomes will be reversed in the larger metropolitan regions of the United States.

In this connection, it is interesting to note that the Federal Department of Housing and Urban Development's "Operation Breakthrough," a search for cost reduction in housing through technological innovation (mainly prefabrication), has revealed such a large preoccupation with multi-family construction on the part of corporations submitting proposals, especially among those being awarded HUD demonstration contracts. The economics of scale and mass production techniques seem to offer greater yields in multi-family structures than in single-family buildings.

However, it has been demonstrated by a number of studies, especially by the Kaiser Commission,\* that labor and materials represent a smaller proportion of the cost of housing than is usually assumed. "All on-site labor costs," the Commission reported, "represent such a small percentage of monthly rents that a general reduction of 20 percent for all workmen would mean only a reduction in rent from \$100 per month to \$98 in a typical unit." A study by the National Association of Homebuilders found that labor and

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\* President's Committee on Urban Housing, December 1968

materials represented only 56% of the cost of a single-family home in 1969. The rest was accounted for by land (21%) overhead and profit (13%) and financing (10%). Reductions in these latter categories, especially in cost of land per dwelling unit, are more likely in multi-family construction through "Operation Breakthrough" techniques than in single-family construction.

In the end, the pressure of dynamic population growth upon a static amount of land that is accessible to employment is the overriding factor in the "Europeanization" of housing in our metropolitan areas. This factor has occupied the attention of planners, land economists and geographers for a long time. Their predictions that rising densities in suburbs will force the increased construction of multi-family buildings usually differ only in terms of the speed of such a transition. One who has described this inevitable prospective change in the suburbs is Edward Higbee, a geographer. He set it forth dramatically ten years ago in his volume The Squeeze -- Cities Without Space:

"When one stops to think of it, the modern commuter's suburb is an extraordinary phenomenon. It gives more people more space at a time when population growth is more rapid than at any time in history, but to gain this advantage, the breadwinner must travel tedious and expensive distances to his job every day. The most unbelievable part of the suburban story is that it is really possible at all. For a family to have a fifth of an acre to itself in Levittown or five acres in Greenwich at a time of accelerated industrialization and human proliferation is almost a contradiction to the logic of geometry.

"If one judges this situation realistically, it is apparent that the era of the commuter suburb's explosive growth will be rather brief -- in terms of human time and social institutions, comparable to the flash of a meteor against the long darkness of a winter night. We are already witnessing the suburb's heyday, and those of us who have found a niche in its promised

land of split-levels and curvilinear streets should consider ourselves privileged not only in terms of present alternatives but in terms of the lesser opportunity there will be for later generations to enjoy the same escape. When the time comes that the time spent commuting cancels out the value of making the trip, then the spread of suburbia will stop, and a return to vertical city living will be necessary to accommodate the growing hordes of humanity...

"To be realistic, it is obvious that someday whole villages of apartment houses must come to suburbia. There is a point in space at which horizontal sprawl becomes impractical from the transportation standpoint...

"The most reasonable solution for the coming day of greater population pressure is to plan apartment suburbs just as today there are suburbs of single-family homes. How to do this is a neat problem in population density, time and distance. When more people arrive, they must either be spread out or be piled higher."

The growth of the metropolitan population and the growth of suburban employment argues for increased densities in the suburbs. However, those already living in the suburbs are convinced that their own interests argue against higher densities. They have the power under state zoning enabling laws to guard the portals to their communities and determine how many can come in and what one's income must be to enter.

#### Exclusionary Zoning Practices by Local Governments

Attitudes and practices of suburban municipalities continue to exclude families deemed to be "low-income" by the excluding communities' standards. This finding emerges from a study of developments throughout the New York Metropolitan Region and with documentation in depth for those local communities analyzed by NCDH field investigators, mainly in New Jersey.

The efforts of local suburban governments to frustrate and discourage homebuilding is especially anomalous at a time when it has become widely

recognized that the nation faces a housing shortage of emergency proportions, and when the Federal Government is launching an innovative effort in "Operation Breakthrough" to increase the volume of housing starts and reduce costs to meet the housing needs of those income groups currently priced out of the market. (Many of the very same municipalities that are engaged in frustrating the Federal Government's housing programs apply to Washington for Federal grants and loans for local improvements covering everything from sewers to libraries.)

Despite the obvious need for a greater supply of multi-family construction in the suburban belt around New York City, local governments still are reluctant to zone for such structures. Where they do permit them, they frequently limit the number of bedrooms by the now widely-used formula of 80% of all apartments limited to one-bedroom and 20% limited to two-bedrooms, with no provision for three-bedroom apartments. While they zone apartments to keep them small, the same municipalities frequently require an unnecessarily large minimum floor area for single-family houses, requiring as much as 1,800 square feet in some instances, to keep houses large and costly.

Suburban municipalities also continue to increase the cost of residential construction by building codes that require materials and construction methods at variance with modern technology. They likewise often impose excessive requirements for installation of local improvements by the builder under the subdivision control ordinance, affecting curbs, sidewalks, gutters, storm drains, pavement width and thickness, etc. The study's findings in this area will be documented at a later date.

Excessively large minimum lot size requirements also continue to be used by suburban municipalities to exclude less costly housing. There has



been no reversal of the trend toward large-lot zoning since RPA's 1962 study (published under the title of Spread City) found "that two-thirds of all vacant land zoned for residence in the Region is zoned for half-acre lots or larger; nearly half for one-acre lots or larger."

NCDH staff in field investigations found no instance of reduction in lot size requirements but did find continuing pressure to hold the line or increase lot sizes. Over 150 New Jersey municipalities amended their zoning ordinances to increase required minimum lot sizes between 1960 and 1967, according to a survey by that state's Division of State and Regional Planning.

A study of zoning in 20 municipalities around Princeton, N.J., conducted by the Middlesex-Somerset-Mercer Regional Study Council in 1969, revealed that the undeveloped land zoned for research and industry could contain 1,170,000 employees at customary densities of employees per acre. However, the zoning ordinances of the same 20 municipalities zone undeveloped land for residences at densities that would provide for an increased population of only 336,000. The latter population increase would add only 144,000 employees to the resident labor force. The report observes that the "potential imbalance between new industrial jobs and new workers is 8 to 1. Supporting commercial and service jobs will double this imbalance to nearly 16 jobs added to each resident worker added. Surrounding areas cannot meet a deficit labor need of over 2,000,000 people, and if they could, preposterous transportation burdens would be imposed on our roads and highways."

#### Court Challenges of Exclusionary Zoning and Efforts at Legislative Reform

The irrational results of land use planned separately by each of hun-

dreds of local governments, each seeking to manipulate to its own best advantage, have given rise to an increasing concern on the part of those aware of the impending chaos and moved by the inherent injustice to those excluded. Their concern has resulted in court challenges of exclusionary practices and in efforts to secure legislative reform.

A proposed new land planning law that stated plainly that planning and zoning authority granted to municipalities was not to be used to exclude by race or income was introduced in New Jersey in 1969, but failed to pass. Its introduction brought forth a chorus of protests from "home rule" advocates. It served to focus public attention on the issue of exclusionary practices. A bill, inadvertently passed in the last hours of the expiring 1969 session of the New Jersey Legislature, and promptly signed into law by the outgoing governor in the last days of his term, gives standing to any citizen of the State in either administrative or judicial proceedings affecting his present or potential rights under zoning in any municipal jurisdiction in New Jersey. Most local suburban officials view this law with alarm and are encouraging efforts to repeal it.

New York State remains a pioneer in empowering a state housing agency to initiate urban development and housing programs in any part of the state without first securing the consent of the local government. The agency, the Urban Development Corporation (UDC), has sought to avoid a test of its power and has not challenged any suburban governments to date, choosing to develop housing in cities where it has been invited. UDC recently announced its first cautious probe of the prospects for middle-income housing in Westchester. Meanwhile, Eugene H. Nickerson, Nassau County Executive and gubernatorial aspirant, has proposed the creation of a State Zoning Appeals Board with power to overrule local zoning ordinances.

There is a growing body of legal opinion that exclusionary zoning can be challenged successfully in the Federal courts under the 14th Amendment because zoning against lower-income groups, who compose a relatively small percentage of the white population, excludes blacks as an identifiable class of citizens since a substantial majority of blacks are affected by virtue of their lower incomes. It is also contended that zoning against lower-income groups violates their constitutional rights to equal protection of the law.

There is also a growing interest in challenges of zoning in state courts on grounds of abuse of the powers granted local governments to zone in the general welfare under the police power doctrine. It is contended that where minimum lot size zoning is unrelated to public health or order in the streets, and is solely related to "snob zoning" concepts of property value based on uniform prices of neighboring houses, it is highly vulnerable to tests in state courts.

NCDH is drawing upon the findings of this study to document cases in both the Federal courts (Union City, Calif., and Lawton, Okla.) and the New Jersey state courts in a case involving the Town of Montclair. In the latter case, NCDH is providing counsel to local residents, organized in a fair housing group, who are challenging the rezoning of property for multi-family use to accommodate a builder who had been cited before the New Jersey Division on Civil Rights for discriminating against blacks in the renting of apartments in a building he constructed previously in the same town. Involved is the practice of zoning by closed-door negotiations between town officials and the builder resulting in an agreement, made binding by the posting of a performance bond, to have the builder erect two one-family houses at \$30,000 each as buffers between the apartments and existing

properties. Closed-door negotiations on zoning provide opportunities for all sorts of conduct against the public interest, among which are "gentlemen's agreements" as to the race and income of prospective buyers or tenants. The case has been heard and is now under advisement by the court.

#### The Need for Publicly-Assisted Housing in the Suburbs

To the extent that zoning for smaller minimum lot sizes and for multi-family buildings increases housing starts, even without regard to their price levels, it helps loosen up the market and improves the opportunities of households at all income levels to find housing they can afford. A considerable number of lower-income households will always have to depend on the "filtering-down process" to improve their housing; i.e., succession to shelter vacated by a family that usually has moved to a more expensive unit. However, such "filtered-down" housing is not always likely to be located where the lower-income family ought to live to take full advantage of employment and educational opportunities. For instance, the occupation of "filtered-down" housing in a central city might curtail the chances of the breadwinner to earn more at a job located outside of the city. If housing is to be planned to meet the needs of all households, a considerable proportion will have to be newly built for lower-income families at the locations where they will benefit from maximum opportunities and where the economy will benefit from their availability in the resident labor force. In the light of the data on employment opportunities in city and suburb presented in an earlier section of this report, it is clear that population and employment distribution can be brought into a more rational relationship only if housing is built in suburban areas within the means of those employed in suburban establishments.

Such employees' housing needs will not be supplied by construction made possible solely by reform of suburban zoning practices to reduce lot sizes or to permit more apartment buildings. Smaller lots and apartment zoning are not likely to permit the homebuilding industry to supply either single-family homes or two-bedroom (not to speak of three-bedroom) apartments within the means of factory workers who averaged \$129.23 weekly at the close of 1969 in the New York Metropolitan Region (\$118.76 in New York City). This income cannot carry a \$25,000 house or pay \$180 per month rent (calculated at \$45 per room for a four room apartment).

The data assembled in the course of this study make it abundantly clear that opening the suburbs to publicly-assisted housing for low- and middle-income households must be an essential objective in any plan to provide a sufficient labor force within the various suburban sub-labor markets to supply the labor needs of suburban establishments and to provide the minorities with improved opportunities for increased incomes. Rezoning to facilitate such housing invariably becomes a concurrent objective in seeking to locate these income strata in the suburbs since land is rarely available that is zoned to accommodate housing of a type and/or cost required.

There is a wide assortment of Federal and state programs in existence designed to reduce the cost of housing for low- and middle-income groups. Though these programs are generally underfunded and often have construction-cost ceilings that are unrealistic in this Region, they are producing a considerable number of units. However, such publicly-assisted housing is excluded in most cases from suburban communities by the requirement in Federal and state programs that local permission must be granted before such housing can be located within the local jurisdiction. Such permis-

sion is invariably refused by suburban governing bodies. As a consequence, the majority of low- and middle-income units are built in central cities where, it is true, the prospective occupants live, but where, as we have seen, the opportunities for well-paying jobs are far fewer.

The concentration of publicly-assisted housing in central cities, mainly in ghettos, is rationalized often with a solicitous regard for keeping intact the city neighborhoods of Negroes, Puerto Ricans and other low-income groups. If one were to accept as valid the alleged devotion of blacks and Puerto Ricans to their blighted city neighborhoods in preference to suburban employment and housing, it would be a trait peculiar to minority groups. This trait has been demonstrated to be alien to the millions of whites who deserted their city neighborhoods in the last two decades in favor of suburban residence, even if it entailed an arduous daily commute back to a city job -- including those whites who now express concern for the integrity of the cities' ethnic communities.

The speculation over what would be the preferences of minorities for housing as between city and suburb if they had a choice is futile and, essentially, dishonest. It can easily be resolved by building housing in both city and suburb that is within the means of minorities and, thereby, provide the same freedom of choice whites take for granted. Everyone knows that the concentration of publicly-assisted housing in central cities is not in deference to the desires of the minorities but, rather, is in deference to the desires of suburbanites who exclude such housing from their communities.

The study will document several cases of that type of exclusion. Two such cases are covered in field reports appended to this interim report.

One concerns the repeated rejection by the governing body of Somerville, N.J., of efforts by a local non-profit housing corporation to secure approval to build in that municipality under the state's middle-income housing program. The law that established this program requires passage by the local governing body of a resolution affirming need for housing of this type. (This provision is a standard device written into Federal and state housing bills to protect suburban communities by giving them veto power over proposed projects.)

The other case involves the judicial challenge to a state-supported middle-income housing project in Englewood, N.J., by a group of white citizens. In this case the governing body passed the necessary enabling resolution but the objecting group has tied up the project by court action.

It is clear from our foregoing account of the distances traveled to the Ford Motor Company's plant at Mahwah, N.J., by most of its work force, especially by black and Puerto Rican workers, that there is a desperate need for housing within the means of these employees in the vicinity of the plant. The United Automobile Workers' District 9 has established a non-profit housing corporation and has looked long and diligently for an opportunity to build housing for Ford employees in or near Mahwah. To date, all of UAW's efforts have been frustrated, largely because of the negative attitude of the governing bodies of the municipalities involved.

The standard argument advanced by suburban communities in defense of their exclusion of publicly-assisted housing (or, for that matter, all efforts to house those with incomes that are lower than the local average) is that the burden of property taxes is already too great to risk adding to it by financing school children living in housing that "does not pay its

way." It would be interesting to inquire of such municipalities how much their taxpayers have to be unburdened before they would accept housing for lower-income households. Would 50% more assessable property per capita be sufficient relief? It would hardly appear to be the case in view of the fact that many suburban municipalities enjoy an amount of per capita assessable property that is 50% and more over the average for their counties without showing any signs of relinquishing their resistance to housing for lower-income groups. The accompanying table showing per capita assessable real property for Bergen County municipalities, as established at true value by the county's equalization table, reveals the great disparity in taxable resources between the lowest and the second highest (omitting Teterboro from consideration as a bizarre aberration; an industrial tax-haven that masquerades as a municipality). Franklin Lakes, with taxable resources three times as large as those of Garfield,\* is not one whit more inclined to consider its taxpayers sufficiently unburdened to be able to afford housing for lower-income households by virtue of its favorable tax base (See Appendix 4, Table D).

In the midst of this all but universal rejection of publicly-assisted housing by suburban communities, Summit, N.J., stands as a shining example of enlightened self-interest and imaginative action in providing such housing for its low-income residents. Summit is an upper middle-class commuter

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\* Garfield is mentioned because it has public housing and its per capita true value of assessable property is the lowest in the County, \$5,558. Franklin Lakes is mentioned because it does not believe it can afford to zone for apartments in its town to house workers from the IBM offices though its per capita assessable property is \$18,470.



suburb of about 25,000 population at the western edge of Union County, about one hour's travel time from Manhattan. According to a report by NCDH Research Associate William T. Rogers, Jr., Summit provided local employment for household workers early in its history and became home for a growing black population, now estimated at 2,000. In 1960, the Census showed 67 substandard dwelling units. Increasing concern with the housing conditions of its minority residents caused Summit's leading citizens to conclude that public housing was the only practical answer. When initial inquiry at HUD seemed to indicate the unavailability of funds for a project in Summit, a decision was made to forego Federal assistance and raise the necessary money by public subscription. The community responded by raising \$675,000 oversubscribing its goal by \$75,000. At this time, word from HUD cleared up a misunderstanding and Federal funds in the amount of \$900,000 were committed. Summit's leaders proudly declared that ordinary public housing was not good enough for Summit, and decided to use the local fund to improve the quality of the project beyond PHA ceilings for cost of land, amenities, etc. Plans call for 90 units of two-story and three-story garden apartments to be built in two stages to facilitate relocation.

Since suburban communities with the attitude of Summit are in a ratio of one to several hundred of those with the attitude of Somerville, the issue of suburban acceptance of publicly-assisted housing will become increasingly critical. The right of a suburban municipality to refuse to allow the building of publicly-assisted housing within its confines will emerge as the overriding issue in efforts to permit the minority labor force to relocate to take advantage of suburban employment opportunities.

Pioneering legislation was passed in Massachusetts last year which might set a trend in the kind of constraint to be placed on the municipalities' unilateral authority to exclude publicly-assisted housing. The Massachusetts law establishes a state housing appeals agency to which those rejected locally in their effort to get publicly-assisted housing built, can go for a hearing. The rejecting municipality is required to show cause for its action and is considered, in most cases, not to have cause if at least 1.5% of its land area is not devoted to publicly-assisted housing. It is likely that this formula will serve as a prototype for legislative proposals in Albany, Trenton and Hartford to affect the availability of suburban sites for publicly-assisted housing in the New York Metropolitan Region.

### Availability of Housing Without Discrimination

The nation's highest volume of housing starts was achieved in the decade of the 1950's. A high proportion of the new single-family houses and so-called garden apartments were occupied by households dependent upon an average factory wage. The 1960 census shows that in many of the new suburbs over half of the added resident labor force was blue-collar. (The blue-collar suburb became the basis of a book by a sociologist interested in it both as a social phenomenon of significant proportions and as a refutation of the stereotype image of suburbia as only a middle-class way of life.) However, Negroes and Puerto Ricans were almost entirely excluded from this vast supply of housing created in the 1950's. A poignant awareness of this causes many Negroes and Puerto Ricans to remain unimpressed by the 1968 Housing Act's goal of 26 million new units by 1978 as an answer to the housing needs of blacks and other ethnic minorities. The experience of discrimination in housing is too real to permit them to have confidence in mere volume of construction as assurance of their equal inclusion.

However, most of the housing of the 1950's and early 1960's had been built before passage of the open housing laws which now exist at Federal, state and local levels. How effective are these laws in protecting the rights of minorities to buy or rent housing, especially in the suburbs? Would a breakthrough to mass construction of moderately-priced housing in the suburbs provide equal opportunities of occupancy to them? Or would an increased volume of housing starts be absorbed by white households in the present tight market?

A study of the extent and nature of discrimination in housing is being made as part of the larger study of the role of the real estate industry in affecting the availability of suburban housing to minorities. This investigation is being made for NCDH by Ann Montero, trained in economics and experienced in the open housing field. Mrs. Montero surveyed and interviewed brokers of both races, renting agents, credit investigators, fair housing organizations and other local groups in the housing field in the New York Metropolitan Region. The pages that follow are based on, or extracted from, the Montero findings.

#### Discrimination Grows More Subtle

Since passage of local, state and Federal open housing legislation, racial policies, attitudes and practices of real estate brokers in the New York suburban area have undergone considerable change. The change is slow; it is often reluctant. It involves some degree of compliance with the laws, on the one hand, and development of new and more subtle techniques to deter the movement of non-whites out of their "traditional" areas, on the other. The resultant practices are a "mixed bag," and they are elusive to documentation.

In discussing housing discrimination in the suburbs around New York, it is necessary to recognize that suburban communities are not homogeneous. The upper middle-class "status" type, usually evoked by the term "suburb," is a stereotype, not a prototype. Suburbs range from industrial urban centers like Yonkers, which has many apartments, to some communities which have only private homes; from towns that are already predominantly black, or fast moving in that direction (such as East Orange, N.J., Mt. Vernon, N.Y., or Wyandanch, Long Island) and towns with small and older Negro con-

centrations or mini-ghettos (such as New Rochelle in Westchester County, Glen Cove on Long Island, or Montclair, N.J.) to old communities typified by Bronxville or Manhasset, N.Y., where there are at most a handful of non-whites, and the new "havens" for fleeing Caucasians, of which Livingston, N.J., Oceanside, N.Y., or Shelton, Conn. are examples.

The extent to which a broker is confronted with the racial question varies tremendously. In highly-priced areas such as Scarsdale, N.Y., or North Shore communities on Long Island, the number of blacks seeking homes and able to afford them is infinitesimal. In more moderately-priced areas, the numbers seeking homes have increased, especially for apartments. A firm that manages 3,000 apartments in lower Westchester County, reports that close to one-third of the units it manages are now occupied by non-whites.

Any broker, regardless of his personal attitudes, whether fully committed to open housing and equal treatment or bigoted and completely opposed, is on the horns of a dilemma. Prior to open housing laws, a broker who wanted to discriminate could do so with impunity. Because now discrimination can be grounds for revoking his license, he is under pressure to conform to the law's requirements. The average broker wants to be known as law-abiding. Furthermore, his license is his livelihood. Few brokers express concern with adverse findings by official human rights commissions, or with fines or court orders. But many cite fear of losing their license as a major deterrent to discriminatory practices.

On the other side are his clients - present and potential. Some owners, approaching a broker about listing a home for sale, state expli-

citly it is to be sold to a white--sometimes a Christian--purchaser only. Many others imply this by saying "Please only bring me nice people."

Under the law the broker is required to explain to the owner that he must bring prospects regardless of race, creed or color. If the owner persists in his restriction, under Rule 23 (h) promulgated under the New Jersey License Act, and a similar rule in New York State, the broker is required to refuse the listing. Even the most fair-minded broker finds this extremely difficult to do. Not only will he have lost a listing and possible commission, but he may also lose potential listings.

#### Current Practices

Local real estate boards were asked whether they had knowledge of any brokers in their area who had made sales to blacks in white neighborhoods. Of the ten boards responding,\* three said they did not know of any; seven said they did. In response to our question whether such brokers believe they have suffered a reduction in listings as a result, one board replied "unknown"; four said "no"; two said "yes."

Adverse reaction may come not only from homeowners, but from other brokers. A broker who wished to open a second office in a new location was the victim of an expansive whispering campaign that "he sells to the colored," with the result that he was effectively deterred from so doing. Three years ago, a Westchester County broker charged competitors in a law-

\* Most New Jersey boards declined to answer on the grounds that since the law had made discrimination between races illegal, they were now officially "color-blind" and could supply no information on basis of race!

suit with conspiring to drive her out of business by advising customers and clients not to deal with her because she would sell homes to people of a minority race.

Another set of conflicting pressures is the recognition that selling to blacks can be good business. Passing up a sale, after all, means losing a commission. However, most brokers, regardless of their convictions, state that if one house on a block is sold to a non-white, it may be harder to sell the house next door, if or when it comes on the market.

Given these opposing pressures on the broker -- the fear of losing his license on the one hand and his clients on the other -- the average broker will respond, as one puts it, "in terms of who hollers loudest."

For those brokers who want to accommodate to the prejudiced homeowner with a minimum of risk, or, to put it the other way, for those who want to comply with the law yet not lose business, the tendency is to avoid the problem, to the maximum extent possible.

#### Private Home Sales

If the housing market were completely open, information on all housing currently for sale (or rent, as the case may be) would be freely available to any and all comers, and all customers would be able to compete on an equal footing for the available supply. In fact, this is not the case for any customer. In this analysis, we shall undertake to indicate in what ways information is less available for non-white (usually black) customers than for others.

The limitations on the supply of housing at a price most non-whites

can afford has been dealt with previously. This analysis assumes a non-white buyer who has the desire and the means to buy a home in the suburbs. The non-white's access to available housing information will depend, in part, on which broker he chooses. Let us deal first with the customer who goes to a black broker, of whom there are a considerable number in New York suburban areas.

Until passage of open housing laws, part of the effort to prevent Negroes from buying in white neighborhoods took the form of keeping black brokers out of local real estate boards affiliated with the National Association of Real Estate Boards. Except for large firms, the average broker depends on other brokers to increase potential purchasers for his listings, and expand listings for his customers. Membership in local boards facilitates co-brokerage and participation in multiple listing systems.

Because the policy of local real estate boards with their multiple listing services has been to exclude black brokers,\* the latter formed an organization called the National Association of Real Estate Brokers, copyrighted their own title "Realtist," as compared to "Realtor," and developed their own multiple listing mechanism. In most areas, therefore, there exists a dual sales mechanism to market housing by race.

Most of the listings a black broker obtains are in black or changing areas. Therefore, if he is not a member of the local real estate board

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\* One black broker, who tried to join the local real estate board twenty years ago, was told bluntly by several white brokers with whom she did business that they did not wish to be the first to introduce a Negro member. This broker now feels board membership is not necessary for her, and that there is no section of the county "that could or ever would attempt to deny my clientele."



and thereby of its multiple listing service, he will have little if anything to offer his customers in white neighborhoods. He may, however, approach any other broker who has a listing for which he believes he has a prospect. Through ads, or perhaps through the "grapevine," he will be able to learn of some houses on the market. But information about most listings on the general market will be unavailable to him.

Agreements to "co-broke" have traditionally been optional, but according to realtors' ethics, such agreements should not be refused without good reason. The basis for co-brokerage agreements, however, was far from standardized. If the broker with the prospective buyer is from outside the area, the listing broker may ask that the buyer be referred to him. If he refers his customer to the listing broker, he will get a smaller percentage of the commission. According to one broker, he wants to handle the sale himself, so that if and when the house comes back on the market, he will get the listing.

A recent ruling of the New Jersey Real Estate Commission makes mandatory cooperation by the listing broker with another broker who offers to bring a buyer. There is, therefore, now some recourse to an official agency in that state.

Until recent years, few Negro brokers were members of local real estate boards. A survey in 1962 of National Association of Real Estate Board affiliates showed that in most cities the local boards had no Negro members. A white broker who was known to sell without discrimination would encounter similar difficulty in being accepted for membership in his local board. In some areas, the doors are still closed.

Joining a board is not a simple matter. One must, to begin with, find two sponsoring brokers who are members of the board. In general, the requirements for membership are that the broker operate a regularly established business with an office on a full-time basis. The name of the applicant is circulated to the entire membership of the local board, so that anyone who wishes to raise an objection about the applicant's reputation or practices may do so. The membership committee of the board investigates the applicant's credentials. In some areas, such as Westchester County, a written test is given. The applicant is finally passed upon by the directors of the board.

We asked a number of black brokers operating in the New York suburbs about their experience in attempting to join local boards. Over half had attempted to do so. Of those who had applied, half were accepted, most in the last three years. The major difficulty encountered by those who sought membership unsuccessfully was getting the necessary sponsors.

Of those who never made an attempt to join, two-thirds said they believed membership in the board would be advantageous to their business. As of now, we do not have complete information as to why these did not apply. Cost may have been a factor in some cases, for the joining fees plus annual dues of local, state and national boards (which you must join simultaneously) may run around \$1,000. In addition, there are fees for the multiple listing service.

Of those who had not applied and stated they did not feel membership would help their business, the primary reason for not applying seemed, from their responses, to be doubt that they would receive proper cooperation

from fellow board members. None indicated lack of recognition of the advantages of board membership under conditions of equal treatment.

If sponsors are obtained and the black broker meets the basic requirements, it is becoming increasingly difficult for a board to refuse him. There have been several lower court decisions ordering admission of Negro brokers, on the ground that denying membership is a restraint of trade. Despite this, only five of ten suburban boards surveyed reported having any non-white members.

The small number of black brokers who reported they are members of local boards said they have full access to the multiple listing service.

#### Multiple Listing Service

Non-white homeseekers increasingly go to the agent handling the home or area in which they are interested. They are looking for good neighborhoods with good schools and community services. If the community is one that is thought of as white, the broker to whom they go is apt to be white.

The bulk of suburban home sales, where a broker is involved, are handled by members of local real estate boards. What are the prospects for a black customer to gain access to the full range of available houses if the broker he goes to is white? (Omitted from consideration here are those houses not listed with a broker, although in some areas these may represent a substantial portion of homes for sale.) Occasionally, when there is a multiple listing service which does not preclude exclusive listings, an owner desiring to avoid non-white buyers may list his home on an exclusive basis with a broker he feels he can count on to screen prospects.

When a buyer comes in because he is interested in a particular house which has been advertised, or to inquire generally about listings, the chances of his succeeding in finding a satisfactory home will depend on the range of choices made available to him. It is unusual, even in these times of housing shortage, for a homeseeker to see an ad for a house and end up buying that particular house.

Where a multiple listing system covers a relatively small, highly-priced area, its members find it easy to limit sales to non-whites if they wish to. By the very nature of such an area, it is unlikely that black brokers will seek membership; only a miniscule number of non-whites are apt to seek housing there. Local brokers may sell to one or two well-to-do blacks who are prominent in government, the entertainment or business world, or diplomacy. However, by limiting advertising and obtaining most customers through personal referrals, all others can be screened out.

On the other hand, the Island-wide, professionalized Long Island Multiple Listing Service opens the door to a much more extensive housing market. This type of listing service affords the best opportunity for the buyer to have access to a wide range of homes in a variety of areas.

#### Selecting the Listings to Show

The buyer himself usually limits the range of what may be shown to him by three considerations: the town or area in which he wishes to live, the number of bedrooms required, and the price range. But the average broker does not approach these as inflexible requirements.

Because broker practices are not standardized, there is wide opportunity to restrict information given to the customer, if there is the de-

sire to do so, even where the number of advertised listings is large.

"The desire to do so" may be based on a variety of motives. In some communities, restricting information serves an unspoken conspiracy to keep the area white. In some cases information is restricted to accommodate particular sellers who have indicated they wish to sell only to whites. On occasion, a broker may restrict information on certain listings because he is reserving them for preferred customers.

In Essex County, N.J., until well into the 1960's, restrictions placed by owners on homes for sale were transmitted into multiple listing services by use of the symbol "PATO," which stood for "Purchaser (must be) Acceptible to Owner." Sometimes this device was used by brokers without the sellers' knowledge.\*

We were informed of a case in which a broker sold a house which had a "PATO" on it to an interracial couple. The sale went through because the owner met only the white member of the couple. Other brokers brought a complaint against the selling broker to the New Jersey Real Estate Commission, charging conduct unbecoming a broker because of lack of fidelity to the owner's instructions. This occurred after passage of New Jersey's fair housing law. The Commission rejected the charge.

The typical broker advertises only a few of his listings - those he believes are the best drawing cards. Few brokers display "For Sale" signs

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\* New Jersey Advisory Committee to U.S. Commission on Civil Rights, REPORT ON NEW JERSEY, September 1963, p. 5.

in front of listed houses, thus avoiding telephone inquiries by people they cannot see.

A broker eager not to show certain of his listings to non-whites might elect to advertise only those he is willing to show without discrimination. Or he might conceal a preferred listing from a non-white home-seeker by showing him a dual listing that has all the advertised features (number of bedrooms, garage, same heating system, etc.) except for location.

The National Association of Real Estate Boards, in a memorandum to realtors dated August 18, 1968, analyzing the implications of the newly enacted Federal open housing statute, seemed to suggest a device for circumventing the law when it dealt with this example: "Suppose a would-be Negro purchaser enters a brokerage office" and expresses interest in a \$20,000 home in a particular neighborhood. Though the listings are not publicized, the salesman is "well aware" that suitable properties are available. Yet he "informs the prospect that the office has no listings in the category." Has the law been violated?

Not according to NAREB's interpretation. "The law does not give any person the right to purchase or the right to inspect dwellings whose identity is vague and uncertain. The essence of the offense is the discriminatory refusal to sell a dwelling which the purchaser wants to buy."\*

\* Quoted by George W. Graupon, Jr., and Cindy Long Wedel in "Open Housing, How to Get Around the Law," The New Republic, Vol. 158, No. 25, June 22, 1968.

In a 1969 pamphlet on the same subject, NAREB modified its position. Several hypothetical situations were posed in which a prospective non-white purchaser expressed a desire to buy a home but had no definite home in mind. Must the broker make his listings known to such a customer? The pamphlet advises brokers that "the law does not require that you do business in any particular way; it simply requires that you do business the same way with anyone who enters your office, irrespective of race, color, religion, or national origin."

Because there are many ways to evade inquiries from minority home-seekers, and because sometimes what may appear to be an evasion turns out to be a factual situation, fair housing groups have found it necessary to use testers to check whether whites and non-whites are receiving the same treatment. The testing technique is resented by many brokers, although numerous documented complaints of discrimination have resulted. According to fair housing groups, showing blacks a more limited selection than whites is one of the most prevalent forms of discrimination.

Black customers still occasionally encounter outright refusal of a broker's service, or are sometimes told the owner of a particular house will not sell to a Negro and that it is a waste of time to show it. But this kind of overt discrimination is less and less common. More frequently, non-white customers meet with efforts to discourage them, with evasion or misrepresentation, with the withholding of information, or with delaying tactics.

According to our survey of open housing groups, evasive practices take such forms as telling the buyer there are no houses meeting his specifica-

tions currently available, or limiting the houses shown to black, fringe or changing areas. In the latter instance, the presence of a black broker in the multiple listing service, or of "cooperative" relationships with a black broker or two, can serve a useful purpose for a white broker who wishes to avoid showing houses in white neighborhoods to black buyers. He may select homes put into the MLS by the black broker member to show his black customer.

Most fair housing groups report that when a black buyer inquires about a specific house in which he is interested, he is often told it has been sold or that the owner is out and it cannot be seen. Inquiries by white testers frequently reveal that these answers were not valid. On the other hand, any one of these situations could prevail, so it is often difficult to determine (in the absence of a complaint and official investigation) whether discrimination has in fact occurred.

It is standard sales procedure for the broker who currently has no homes which are satisfactory to the buyer to follow up his prospects as soon as something suitable becomes available. This is done routinely for white customers, but blacks rarely receive a follow-up call from a white broker whom they have approached about houses for sale.

#### Other Discriminatory Tactics

Financial qualifications provide another opportunity for attempting to deter the black buyer. He may be asked to furnish assurance of mortgage financing prior to being shown homes -- not a customary practice where white buyers are concerned. He may be advised not to buy unless he has the cash for an unusually large down-payment. In estimating whether



the prospect can carry the monthly payments, the broker may distort the standard ratio of income to payments, and then advise the prospect he cannot afford the house. Or, conversely, a white buyer may be slightly "under-qualified" financially, but be told by the broker that, "We'll find a way."

It is not unusual for the price of the house and other terms and conditions to be misrepresented to the black buyer. Or the broker may suggest to a white, but not to a black buyer, that he can undoubtedly purchase the house being considered for a lower price by bargaining.

If the Negro buyer, despite all these discouragements, persists in his interest, there are many further opportunities for delay, evasion and misrepresentation. Getting the run-around in efforts to see the house a second time, or in initiating negotiations, are a frequent and frustrating occurrence. Telephone calls are not returned; appointments are not kept; owners are "unavailable." Blacks are refused the courtesy of inspections by plumbers, electricians or termite experts, and told to buy "as is."

During such delays, the broker may be scurrying to find another buyer for the house in order to have a "bona fide" out should he be brought up on charges. Or, the broker may be conscientious, but the seller may suddenly decide to remove the house from the market.

If the black buyer succeeds in cutting short all efforts to circumvent him, he usually must pay the seller's asking price, something rarely done by a white buyer. The black buyer often makes a precipitous offer in an effort to avoid losing the house, even to the extent of offering the

asking price in order to outbid another prospect. Some instances of blacks paying above the asking price to be sure of getting the house were reported to us.

Some owners accept lower bids from white buyers in order to avoid selling to non-whites. Although acceptance of a lower offer in such circumstances may strongly indicate discrimination, there is no requirement in real estate ethics nor in law that the highest offer be accepted if it is less than the asking price.

Failure on the part of a broker to assist the buyer in obtaining a mortgage may be the final effort to keep a sale from going through. There is substantial evidence that banks seldom refuse to grant mortgages to qualified non-whites because they are purchasing homes in white areas, once a common practice. But where mortgages are difficult to negotiate in a tight money market, as is the case today, the black buyer who is not served by a conscientious broker is apt to fail.

Another aspect of the role of brokers in affecting racial patterns of residence is of major significance. Brokers who stop showing houses to whites in neighborhoods into which Negro families have moved (a common practice), have, in effect, decided that the neighborhood should "go all-black," and they are using their power as gate-keepers of the housing market to achieve that end.

#### Gains for Open Housing

Many areas in the Region report that the chances of black buyers to receive equal treatment have improved in recent years. In most areas, there are one or more brokers (usually no more than a handful) who comply

with the spirit as well as the letter of the law, and who are known to service all customers on the same basis. Few brokers openly resist the law. The majority may be described as observing minimal or outward compliance, endeavoring in subtle ways to avoid sales to non-whites in certain areas, but not at the risk of trouble. A smaller portion engage in more systematic and deliberate, but covert, ways to circumvent the law. Some parts of the Region report the latter as the dominant attitude.

But within this general pattern there is wide variation, both between and within communities. Some communities where blacks have made considerable effort to buy homes report the development of quite sophisticated techniques of discrimination. On the other hand, a source in one somewhat "remote" area said, "In our limited experience, we have not found brokers very sophisticated in circumventing the law yet, but it will come with more open housing testing."

For the broker who wants to comply with the law, whether because he believes in equal treatment or simply because he wants to be law-abiding, the law strengthens his hand. When an owner wants him to discriminate, he can cite not his convictions alone, but the fact of the law and its sanctions.

In Westchester County several individual brokers have told the local Urban League they are refusing to accept listings where owners put racial restrictions on them. They are concerned that this is hurting their business, and they are asking the League's advice about what can be done to bring other brokers into compliance with the law.

A measure of the change in the times is the fact that several real

estate boards in suburban communities are now headed by brokers known for their commitment to open housing.

Many local boards now have "equal opportunity" or similarly-named committees. These committees, or grievance committees of the board, can hear complaints from other brokers, clients or customers alleging discrimination. Just as in the days when the Realtors Code of Ethics required racial exclusion and members could be disciplined, including losing their board membership, if found in violation by selling to Negroes in white neighborhoods, so, today, theoretically similar penalties can be imposed for discrimination against non-whites.

Some complaints have been brought. Our inquiries have not found any that resulted in a penalty, though there have been instances of informal "cease and desist" orders. The Morris County (N.J.) Fair Housing Council has recently entered into an agreement with the Morris County Board of Realtors whereby the Council will refer complaints to the Board of Realtors, which will be given 48 hours to act on a complaint before the Council refers it to the State Division on Civil Rights.

### The Rental of Apartments

The problem of equal access to apartments, perhaps even more than in the case of homes, is compounded by the shortage of apartments and, in many areas the almost total absence of moderately-priced units. Because the demand for apartments on the part of non-whites is much greater than for houses, they suffer very acutely as a consequence of the shortage.

A myriad of different methods are used by rental agents to discriminate against non-whites. Before passage of open housing laws, non-whites

were often told directly that it was the landlord's policy not to rent to Negroes. Such statements are rare now, but are still reported occasionally.

Formerly, being told the apartment was already rented was an almost universal experience among non-white applicants. According to fair housing groups in the New York-New Jersey suburbs, the "already rented" dodge is still the most common practice encountered, despite the fact that through the use of testers the availability of the apartment in most instances can easily be verified.

Almost as common is discrimination in procedure. For example, a deposit is not asked for, and if the Negro applicant offers it, it is not accepted. The applicant often is referred to the owner's or manager's office a long distance away, or is simply told the superintendent or agent on the premises is not authorized to take applications -- although he accepts them regularly from whites.

If the black applicant is able to overcome initial hurdles and make application, delay and evasion are the next strategy employed by discriminatory landlords. The applicant hears nothing; telephone calls are not returned; he is told the application is lost; or the credit check has not been completed. A qualified black applicant is also confronted frequently by the use of double standards. He is rejected and, if he persists in asking for a reason, is told that he does not meet certain financial or other criteria, such as family size or composition, which are not applied to whites. If the Negro family is on welfare, the apartment is denied because it is alleged to be the policy to rent only on the basis of steady employment, though white welfare cases are being accepted.

In fact, criteria may be applied in such subtly discriminatory ways that it is often extremely difficult for fair housing groups or even official enforcement agencies to expose it.

### Discriminatory Credit Criteria

The credit check process affords some opportunity for this type of evasion. The standard credit investigation is limited to a few routine checks. But, if requested, credit agencies also undertake a much more extensive hourly rate or special "service" report. This may turn up all sorts of derogatory information never uncovered in the routine check. A few landlords automatically order a special "service" report on all non-white applicants; some order them much more frequently on non-whites. In this way, various grounds for rejection may be found that would not otherwise come to the owner's attention and that would normally be considered unimportant or irrelevant.

Credit criteria are often computed differently, such as subtracting monthly payments on an automobile in computing net income for a black, but not for a white. One credit investigator estimates that in his experience, a white applicant for an apartment whose income is 20% below standard has about a 50-50 chance of being accepted, but a black applicant practically none.

Negro applicants are also denied apartment rentals on the ground that they have moved too often in the past, a circumstance common to all lower-income households and imposed upon Negroes to an exaggerated degree by substandard housing conditions, inferior maintenance, relocation practices, and, indeed, by their search for upward mobility. A record of a

"broken" lease is used against them, regardless of cause -- unreasonable denial of permission to sublet; family emergency; departure to take work elsewhere, etc. White applicants are far less likely to encounter such rigid application of criteria.

Sometimes a landlord accepts an application and deposit from a black, but subsequently advises him that the apartment is being rented to a "more qualified" applicant. The rental agents to whom we talked all stated that it is rare to take a second application on the same apartment until the first one is acted upon. For one thing, it is not worth it because of the paper work involved. On the other hand, the agent has an interest in renting the apartment as quickly as possible. If the first application appears to be weak, he may take a "back up" application, or if the first applicant is acceptable but delays in following through on signing the lease, another application may be taken. In such cases the second applicant customarily is advised that there is prior application. The frequency with which Negroes who are qualified are told that the apartment has been given to someone more qualified leads to the suspicion that landlords seek out alternative applicants, or, at the very least, continue to show the apartment and accept a second application in situations where they would never do so if the first applicant were white. Sometimes the second "applicant" turns out to be a relative or employee of the landlord. White testers who follow a black applicant to an apartment in order to determine whether discrimination has occurred are sometimes encouraged and urged -- sometimes even offered inducements -- to rent the particular unit.

The New York State Division of Human Rights confirms that in its experience discrimination in the rental of apartments in cases where com-

plaints have been substantiated most frequently takes the forms cited by open housing groups: (1) misrepresentation most often concerning the availability of the apartment, occasionally the rent, or other conditions; (2) discrimination in procedure; (3) evasion and delay; (4) discriminatory criteria or discrimination in the application of criteria.

The Region's fair housing groups report that open housing laws have brought some improvement. In some communities there are many buildings where non-whites and whites receive the same treatment and services; in some places only a few such buildings were reported. Where a local open housing ordinance has just gone into effect, as in Nassau County (supplementing a state law) a change for the better has been noted by some community groups.

Some local groups find compliance is better in luxury buildings. However, others report it remains difficult for the first Negro tenant to gain entry into any apartment building. Local sources have found some landlords who state they are glad to accept qualified minority tenants. Others report that if the number of blacks reaches a certain "unofficial quota" level, the landlord may put on the brakes again. Still other local open housing groups say their experience indicates the price, location, or age of buildings makes little difference in landlords' attitudes.

In no case, however, is there an expectation that open housing laws and their current level of enforcement will open the housing supply to minorities on other than a piecemeal basis.



### Enforcement of Open Housing Laws

The study finds substantial evidence that many of those who worked to secure passage of open housing laws are disappointed that these laws have not made a significant change in segregated housing patterns.

In the course of this research project, NCDH staff has analyzed efforts to improve implementation of the laws in New York and New Jersey. Our findings indicate that local groups are in general agreement that two types of remedies are needed: (1) An increase in the budget, staff and efficiency of enforcement agencies and procedures; and (2) replacement of the one-by-one complaint process with "pattern or practice" adjudication.

A consensus that administration of New York State laws against discrimination in housing has been ineffective was reached by an all-day conference of some 44 persons representing 24 fair housing, human relations and similar organizations in the New York Metropolitan Region meeting on October 9, 1969, in Scarsdale, New York. A telegram containing this conclusion was sent to Governor Nelson A. Rockefeller by the conference. It expressed "deep concern at the continuing failure of New York State Division of Human Rights to provide prompt, effective and strong penalties and enforcement of state laws against housing discrimination." It asked for a meeting with Governor Rockefeller to "create strong and speedy human rights law enforcement, draft and resubmit to State Legislature urgently needed civil rights legislation, expand enforcement of Secretary of State and Attorney General real estate and licensing law as applied to discriminatory conduct by real estate brokers and landlords, and discuss Human Rights Review Board."

Governor Rockefeller responded by meeting with about 100 representa-

tives of civil rights and fair housing organizations on January 15, 1970.\* In a written statement, the Governor promised "his personal commitment to work toward the elimination of discrimination in all forms." He announced his acceptance of all the action proposals contained in the conference telegram, including support of strengthening the state laws against discrimination in housing. Efforts are being made to remove the requirement of state law that discrimination must be proved to be willful and malicious in order to subject the violator to fines and imprisonment. Offenders have not been subjected to such punishment since the law's enactment in 1961.

This research project also has consulted with and provided technical assistance to an effort to improve implementation of open housing laws in New Jersey. This work is being sponsored by the New Jersey Division of Civil Rights and is being conducted by a faculty-student team at Rutgers University's Law School in Newark. A major aspect of the project is to design a method for bringing "pattern or practice" actions by the Division of Civil Rights. HUD has provided funds for this project, which is under the direction of Professors Alfred A. Blumrosen and Richard Chused.

Liaison has been maintained with the Rutgers team since initiation of its project in the spring of 1969. Information, statistical data and advice

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\* A meeting of the conference spokesmen with Robert J. Mangum, Commissioner, Division of Human Rights, and Barry Van Lare, Assistant Secretary to the Governor for Human Resources, took place on Nov. 25, 1969. Commissioner Mangum's response was devoted mainly to legislation rather than to administrative improvement.

have been made available by NCDH research staff, including recommendations of communities and apartment projects for investigation. Parsippany-Troy Hills was selected for intensive field work by the Rutgers team. This community was identified from NCDH information files as containing a large number of apartment buildings and few non-white tenants, though located within reasonable travel distance from places of present or potential employment for minorities.

Investigations in Parsippany-Troy Hills resulted in the filing of "pattern or practice" complaints against eighteen apartment projects last November, alleging failure to advertise vacancies in such ways as to bring them to the attention of all racial and ethnic groups, and other omissions likely to result in uniform white occupancy. The complaints place the burden of evidence upon the apartment owners to prove that they have made every reasonable effort to comply with the intent and purpose of New Jersey's open housing law, and will be the subject of hearings in the Division of Civil Rights.

Possible orders to apartment house owners in "pattern or practice" discrimination cases requiring vacancies to be advertised in specified newspapers and/or on bulletin boards of nearby industrial establishments, and filing with the Division of existing waiting lists with notation of race of applicants could be the basis for preferential renting to non-whites to undo the effects of past discrimination.

The Appellate Division of New York State courts has recently upheld the practice of that state's Division of Human Rights in voiding the waiting lists of building management who have been found guilty of discrimination and requiring them to report all vacancies to the Division before re-renting.

### III. ATTITUDES AND PRACTICES IN SUBURBAN COMMUNITIES

People live not only in a house, but in a community. The attitudes and practices of that community may give its residents a sense of well-being and security, or may cause them frustration and anxiety. Because suburban communities place such emphasis on the compatibility of residents with generally-accepted life styles and behavior norms, their practices have the effect of screening out in advance almost all who do not meet local criteria, especially as to income, occupational status, and ethnic background.

Therefore, examination of community attitudes and practices is essential to a study of employment and housing opportunities for racial minorities in the New York suburbs.

The attitudes which shape local practices in the suburbs are not episodic, but take the form of a relatively conscious self-image developed over time. Thus, it is important that inquiry be directed toward ascertaining how a community sees itself. Such inquiry must take into account the community's history, its geographic location, its natural assets and liabilities, its population's characteristics, the regional forces influencing its development and any other factors that determine the options open to the community. A study of past landmark decisions made by the municipality -- acreage zoning, admission of industry, location of a highway, building of a new high school -- provide evidence of the social and political forces that influence its decision-making processes.

Equally important to an understanding of local attitudes, is compre-

hension of the practices through which attitudes influence community development in keeping with a self-image. Such practices, though complex, can be identified, described and catalogued. Primarily, they constitute a specific number of options available in law to the community acting through government processes. Also identifiable are extra-legal practices, such as unneighborly conduct or illegal overt acts.

Community attitudes express value systems, either rationally conceived or based on prejudice. They can be changed by experience (or observation of the experience of other communities), hastened by exposure to public information and argument that support other values.

Community practices are mainly determined by the structure and functions of government as established by constitutions and legislation, subject to judicial interpretation, and, to a lesser extent by mores governing group behavior.

There is no reason to believe that the attitudes of suburban communities will change through self-enlightenment within a time span short enough to have a significant effect upon the major social and economic issues involved in the growing separation by income and race between central cities and suburban areas. The practices of suburban communities, however, can be affected decisively by legislation, either state or Federal, and by judicial opinion.

Changes in practices of suburban communities also provide the quickest means for changing their attitudes, since the reduction or removal of locally-contrived barriers to residence by those of lower income and, in consequence, those of color, will provide experiences conducive to re-

examining existing value systems.

It is, therefore, an important part of the methodology of this study to make field investigations in selected suburban communities to identify and describe the practices by which the community self-image is preserved or modified. The phenomena studied do not lend themselves to quantification and precise measurement. Though less exact than statistical evidence, they are no less valid as scientific method, and just as essential as numbers and percentages in understanding the nature and dimensions of the problem. If the quantifiable data form the skeleton of the findings, field observations supply the flesh and blood.

The study's work program calls for investigation and analysis of some 36 suburban communities. These communities are being chosen to represent the greatest possible variations of type within each county being studied. A "community selection index" has been devised to weigh each community in accordance with such factors as density, per cent of land vacant, racial proportions, lot-size zoning, extent of industrial development, multi-family dwellings, etc. Communities are being chosen to relate to the fourteen suburban employment centers identified for analysis, as described in Section I of this interim report.

Information on community attitudes and practices is obtained by re-searching published material and by interviewing selected local officials, civic leaders, and other residents. The published material consists of local histories, files of local newspapers for at least the past year, master plans and zoning ordinances, data from Federal, state and county sources and private research agencies on the community's population characteristics and housing conditions and supply. The interviews are not based

on a questionnaire but follow a more or less unstructured form, guided by a list of typical questions that relate to the likely area of knowledge of the various categories of persons to be interviewed; e.g., mayor, planning board chairman, real estate broker, homebuilder, employer, civic leader, non-white resident, etc. The anonymity of the person interviewed is assured when so requested.

The methodology for community investigation and analysis was tested out in a prototype survey in the Town of Babylon, Suffolk County (N.Y.) in conjunction with a prototype study of industrial managements in the Deer Park-Wyandanch area, as reported in Section I. The Babylon survey was made in the spring of 1969 by Neil Strong and Elmira Thacker, graduate students of planning at that time.

The first two counties selected for community analysis studies were Bergen and Essex in New Jersey. Upon closer examination, it was decided to extend the Essex community selections beyond the county borders and include communities in adjacent Passaic and Morris Counties. The communities studied in Bergen County are: Franklin Lakes, Bergenfield, Mahwah, Teaneck, Maywood, Paramus and East Rutherford. Those studied in the Essex-Morris-Passaic area are: East Orange, Orange, South Orange, Maplewood, Irvington, Livingston, Fairfield, Wayne and Parsippany-Troy Hills.

The selected Bergen communities have been surveyed by Cynthia Lewis, Research Associate/Community Analysis. The selected extended Essex area communities have been surveyed by William T. Rogers, Jr., Research Associate/Community Analysis.

Two community analysis reports by Cynthia Lewis follow, selected from

those prepared to date. The Franklin Lakes and Bergenfield reports were chosen for inclusion in this interim report because they portray the attitudes and practices of two communities that differ considerably in population characteristics and densities.

Several special case studies have been made of community situations and events that show promise of contributing unique insights into local attitudes and practices. One such case is that of an extremely valuable tract of land in Tenafly (N.J.), on top of the Palisades, which remains undeveloped after more than a decade of local controversy over every plan for its use proposed by its owners. Another is the case of public housing in Summit (N.J.), embellished by monies raised through public subscription, as recounted briefly in Section II.

Two of these case studies were included to demonstrate the kinds of opposition encountered by publicly-assisted housing in suburban communities. The Englewood case was researched and written by Cynthia Lewis; the Somerville case by Harold Pollard.



## A. FRANKLIN LAKES, N.J.

### An Analysis of One Community's Attitudes and Practices in Creating a Self-Image of Exclusiveness and Acting to Preserve it.

#### 1. Introduction

From the 1920's to the 1950's Franklin Lakes was dominated increasingly by exurban life styles as agriculture died out as an economy and survived only in its rural values and vistas. Its leading citizens were moderately well-monied families that chose to live in this segment by-passed by major radial highways (Route 17 to the east and Route 23 to the west). Their properties and interest expressed their independence: fish ponds, exotic gardens, artists' studios and tolerance of respectable eccentricities. A major change came in the 1950's with Urban Farms, a tightly organized club community that made a conscious appeal to upward-bound snobbery, spelled out in the uniformly high price of its homes. Urban Farms imposed its image on Franklin Lakes, a well-heeled suburb reflecting its corporate types with their community values that emphasize conformity, evidence of having "arrived," ambition to climb higher and weekend rounds of gin, golf and gadgetry.

The exurbanites fought the coming of Urban Farms and lost, learning to their pained surprise that leading citizens are by definition less than a majority and that the others can be swayed by self-interest and various loyalties, including religious affiliation. Franklin Lakes, as with every pre-urban settlement, had its residue of rural types who had earned a living

in that shifting gray area between agriculture and urban pursuits -- men who made ends meet by exploiting seasonal and chance opportunity through varied occupational skills and petty enterprises: a roadside vegetable stand, firewood, road maintenance, snow removal, pickup trucking, a factory job in Paterson, sometime auto repair, etc. They composed the volunteer fire company and the veterans' organizations and, in the end, dominated political affairs -- including the rezoning for Urban Farms. For them change was more likely to improve opportunities than not.

Many natives have done well by selling unneeded land; their modest houses, often self-built, usually sat on large tracts; if not inherited, their land was acquired when it was no longer being farmed but was not yet in demand for suburban development and, consequently, "dirt-cheap." They, and their richer exurban neighbors, are now feeling the pressure of property taxes in a community without commerce or industry. The need for tax relief has opened a new chapter of change for Franklin Lakes: the community, again with internal conflict, has decided to admit its first major industry -- headquarter offices for IBM's Office Products Division with plans for over 1,000 employees. The housing needs of these employees, from highly-paid executives to \$6,000 a year clerks and including some 70 to 80 Negroes, are about to raise new questions for Franklin Lakes.

Can it maintain its Urban Farms image in the face of inevitable pressures for moderate-cost housing for the employees of IBM and other establishments likely to come in the future, especially as an improved Route 208 and the planned Route 287 make Franklin Lakes highly accessible? Which of its past policies and practices in density and building control give evidence of future moves by Franklin Lakes to cope with changing conditions?

## 2. Growth Prospects

Franklin Lakes lies in the foothills of Ramapo Mountains, some 20 miles from the George Washington Bridge in the northwestern corner of Bergen County, bordered by Mahwah on the north, Passaic County on the south, Oakland on the west and Wyckoff on the east.

Many of the Dutch settlers who moved north from Hackensack along the Saddle River in the late 17th century headed west toward the Ramapo River. By the beginning of the 19th century, several tracts of land had been purchased from the Indians, bounded by the Passaic, Ramapo and Saddle Rivers, and the area was incorporated as Franklin Township in 1771. With the coming of the railroad in 1869, and the increasing population, sections of the Township withdrew to form their own towns. In 1922, three sections consolidated to form the Borough of Franklin Lakes.

In the early 1920's, the population of Franklin Lakes amounted to a few hundred people. By 1933, the population had climbed to all of 600. It was primarily an agricultural community and changed very little until the boom following World War II. The census figures of 1950 listed 2,021; in 1960 there were 3,316; and the estimated 1968 population is 6,560. Franklin Lakes is the fastest growing town in Bergen County, with a 97.8% increase in population from 1960 to 1968, from a very small base.

### Vacant Land and Development Possibilities

#### Topography:

The 9.4 square miles comprising Franklin Lakes contains more than a dozen lakes and ponds, including the mile-long lake giving the Borough its name. Rolling hills and woodlands give it a country atmosphere.

#### Vacant Land:

Of the 6,000 acres in Franklin Lakes, some 4,000 are considered useable land. 2,000 acres remain vacant at this time. Much of the undeveloped land is in large tracts of 30 or more acres, distributed in all sections. Improved land is selling around \$22,000 an acre, with land in the Urban Farms development over \$25,000. The Urban Farms development comprises about 2,000 acres, including 400 homes, the country club facilities and vacant, buildable land.

#### Sewer and Water:

Franklin Lakes has no public sewerage system. The Northwest Bergen Sewer Authority has plans to install main lines in the future, but it looks as though it will be many years before such a service is available in the Borough.

Less than 25% of the homes in Franklin Lakes receive piped water; the rest have wells. The Shadow Lake development started its own water system and sold it to the Hackensack Water Company, and there are plans to extend it further. New subdivisions are now required to tie into the mains wherever possible. Eventually about 50% of the town will receive public water.

#### Zoning:

5,883 of the 6,019 acres (98%) in Franklin Lakes are zoned residential. About 75% of the land is zoned for one-acre, single family housing. Multifamily housing is prohibited in the town. Members of the Planning Board and the Council have been approached informally on the subject by builders, but have quickly discouraged any future inquiry. Nevins McBride, the owner of a great deal of land, would like to build apartments or townhouses, but

his proposals have been rejected.

**Taxes:**

		(Rate)
1969 Borough tax levy - - -		
County . . . . .	\$ 373,243	(\$ .46)
Schools . . . . .	1,769,623	(\$2.18)
Municipal . . . . .	288,154	(\$ .35)
Exemption . . . . .	<u>35,820</u>	<u>(\$ .04)</u>
Total Levy:	\$2,466,840	(\$3.03)

The 1969 tax rate of \$3.03 per hundred is based on an assessment of 90.6% of true value. This can be compared, for example, with Ramsay, another low-density town which has some industry, with a tax rate of \$4.19 based on an assessment of 85.96% of true value. Tenafly, on the other hand, also low-density but with little industry, had a rate of \$2.82 based on 107.2%. Bergenfield, a town with relatively high density, had a 1969 tax rate of \$4.34 based on 83.36%. Although Franklin Lakes has almost no industry, its tax rate is among the lowest in the County, and compares favorably with towns having more industrial and commercial ratables.

Recent re-evaluation of the entire municipality upped the assessed value from \$85½ million to \$121 million. Its assessed value averages out to \$18,600 per capita, compared to \$13,000 average for Bergen County and under \$7,000 for some municipalities in South Bergen.

**Community Facilities:**

Franklin Lakes has a mayor-council form of government, consisting of six councilmen elected for a three-year staggered term and a mayor elected for two years. The police force numbers ten full-time men. The Volunteer

Fire Company has some 40 active members.

Road repair, snow removal and street cleaning are contracted out to private companies by the Council's Road Committee which oversees its 28 miles of paved roads. Garbage and rubbish collection are also performed under private contract. Though there is a part-time recreation director, most of the recreational activities revolve around the country clubs, which are part of the residential development. The Franklin Lakes Public Library was, until recently, a private organization receiving financial assistance from the Borough.

Although there are a few small, convenience shopping centers in the town, residents must travel to the nearby large retailing centers in Paramus, Ridgewood, or Rockland County to satisfy more than their basic needs. Due to the lack of public transportation and the distances between facilities it is necessary for most families to own at least two cars.

Public health facilities in Franklin Lakes are limited. There are no hospital beds in the Ramapo area, the nearest facility is located in Ridgewood. The municipality employs a part-time public health nurse. There is no municipal mental health program, nor any nursing home in the area. Franklin Lakes has a part-time welfare director and annually appropriates about \$1,100 for public welfare administration and assistance.

#### Schools:

Elementary - 3 schools

1969 enrollment. . . . . 1,283

Average class size. . . . . 22 (one of the smallest in the county)

### Secondary

Ramapo Indian Hills High School District serving Franklin Lakes, Oakland and Wyckoff. One school is located in Franklin Lakes and one in Oakland.

1970 enrollment (from Franklin Lakes)

600 students (20% of the student body are residents of Franklin Lakes)

### 1969 School Budget

#### Elementary

Current Expense \$1,446,610

Capital Outlay 15,400

Total: \$1,462,010

#### Secondary

approximately \$715,000

1967-68 Expenditure per pupil

\$ 624.61 (elementary)

\$ 950.65 (secondary)

### Private

One Catholic, grades K-8, with an enrollment of 450 to 500 students.

### Employment Opportunities:

The borough's only major road is State Highway 208 (opened in the mid-1950's) which runs through the town from Wyckoff to Oakland and links Franklin Lakes to New York City. The Susquehanna Railroad tracks in Franklin Lakes carry only freight, and there is now no station in town. Commuter buslines run to the midtown Port Authority Terminal in New York City. The trip takes at least an hour and one-half in rush hour traffic, and residents who use it to commute to the city often leave early and return late to avoid rush hour delays. Those working in lower Manhattan drive to Ho-Ho-Kus, Glen Rock, Ridgewood, or Mahwah to get the train which connects

with the PATH system.

It is estimated that less than 20% of the resident labor force works in New York City. Most people work in Bergen and Passaic Counties and commute by car. A large number of residents are said to have lived in more densely urban areas of New Jersey all their lives and have moved to Franklin Lakes to avoid the problems of the cities. Many travel to those urban areas for their livelihood including many who own businesses in Paterson, Hackensack, Passaic and Clifton, some 20 to 40 minutes away.

A considerable number of people are top and middle-management officials in large corporations based in Bergen and Passaic counties such as American Cyanamid and Okonite. Franklin Lakes, within easy commuting distance of the prestigious corporate headquarters now locating in these counties, is a "natural" for the high-salaried transferees.

#### Current Housing Market

Because of the recent growth, most of the housing stock in Franklin Lakes is new; splits, ranches, and colonials on one- to two-acre lots. Some farmhouses are scattered throughout the town and there is a small area developed for summer cottages which contains modest homes on smaller lots.

In 1969, there were 1,949 housing units in Franklin Lakes. A 1967 survey showed that 16.3% of housing units in town turned over each year as opposed to 7.4% for the county. New homes in Franklin Lakes start at \$60,000, and there are few older homes selling for less. A study of ads in a local paper recently listed three houses for sale in the Shadow Lake development selling for \$99,500, \$112,000, and \$168,000. Three other homes offered



were listed at \$59,900, \$68,000 and \$89,500. Some homes in Urban Farms are said to have gone up \$30,000 in the last five years.

### 3. The Body Politic (and Social)

#### Income Levels

Although the median income level in 1960 was \$7,919, a figure near the county median at that time, the population has doubled and the 1970 census will undoubtedly show a sharp rise. Sales Management estimates the current buying power at \$11,098 per family.

#### Occupations

Of the 984 men in the labor force in 1960, the largest occupational groups were craftsmen, foremen and operatives. Most of the remaining were in the professional, technical and managerial groups. The 1970 census is also expected to register a shift in these figures, with the majority in the latter group. The 1960 income and occupation data reflect a labor force that represented the residue of the disappearing agricultural economy.

#### Age and Education

In 1960, 40% of the population was under 18 years of age. This percentage will probably remain the same since most of the new families coming in have young children. The 1960 census reported the median number of school years completed was 12.1.

#### Ethnic and Religious Composition

In 1960, 276 residents of Franklin Lakes were foreign born and those with one or both parents foreign born constituted less than 30% of the total population. Fewer than 30 non-whites are estimated to live in the Borough,

most of whom are probably employed as live-in domestics, since residents state that they do not know of any black families in town.

Franklin Lakes contains nine churches, including most of the Protestant denominations and one Roman Catholic church. About 60% of the population is Roman Catholic, the rest is Protestant with a sprinkling of Jewish families. A clergyman comments that the town is "overchurched."

#### Political and Civic Organizations

Franklin Lakes is so heavily Republican that there is little need for any "backroom decision." The town has been in the Republican column as far back as anyone can remember. Moreover, party labels do not mean too much on the local level; Democrats and Republicans are essentially the same kind of people and are in accord on basic issues. As Assemblyman Richard DeKorte, a lifelong resident of Franklin Lakes, observes, "The seven people who make the decisions want to be re-elected and will make the popular decision."

Oddly enough, many of the intra-party fights in the Borough have centered about a prominent Democrat, J. Nevins McBride. As owner of much of the undeveloped land, developer of Urban Farms, and owner of the Indian Hills Country Club, McBride has shaped the identity of the town and made many enemies in the process. For the last 15 years many issues have been decided on a pro or anti-McBride basis. Candidates have, like it or not, been tarred with the McBride brush. Control of the Republican Club and the town are now in the hands of the anti-McBride forces, but fears that McBride still has too much power are apparent.

Despite this division, observers of the political scene in Franklin Lakes claim there are few real issues. The mud-slinging, character assassination and vicious infighting focus on the personalities of those who are running, rather than what they stand for.

The Presbyterian Church, the League of Women Voters, and the members of the Committee on Good Schools (often the same people), appear to represent much of the "liberal element" in Franklin Lakes. The Presbyterian Church, serving Franklin Lakes, Oakland, Wyckoff, has become the focal point for people with "social concern." Congregants are encouraged by their young pastor to sign open housing pledges and to become involved. Attempts are made to bring them in contact with people from other ethnic and cultural backgrounds.

#### 4. The Formation of Development Policies

Long-time residents of Franklin Lakes say that even 25 years ago, people did not "own lots"; they were "property owners." Franklin Lakes was the "end of the world" and land was very cheap. People bought five or ten acres and built themselves a summer cottage. Some hardy souls moved out permanently despite the long and arduous trip to the city. In 1939, a wealthy Catholic named MacKenzie died and left some 1,800 acres, or 20% of the Borough's area, to the Archdiocese of Newark. This land was undeveloped and remained that way through the war years.

#### Zoning in Reaction to Oakland

The headlong development of Oakland in the post-war years spurred zoning in Franklin Lakes. In the neighboring community, large-scale con-

struction of modest houses without basements on 50-ft. lots resulted in overcrowded schools and rising taxes. Franklin Lakes residents were determined not to let it happen to them.

In the meantime, Ford was planning its move to Mahwah. According to statements made at the time, Franklin Lakes became alarmed at the prospect of a rapid growth in population and rumored plans for housing developments. The huge MacKenzie tract was particularly vulnerable and the Borough adopted a zoning ordinance in 1953 requiring a two-acre minimum for residential building purposes.

#### The Battle Over Urban Farms

The Catholic Church tried to utilize its property. At various times, it proposed a boys' camp, a shopping center and a cemetery. By 1955, however, 75% of the tract was still unused. At this time, J. Nevins McBride came on the scene. McBride, probably the most controversial figure in Franklin Lakes, has been responsible for its development and present identity as a closed, club community. He became interested in developing the MacKenzie tract; as prospective developer he became planner and spokesman for the Diocese.

In 1955, the Diocese requested a new zoning ordinance reducing the residential lot size to 3/4 acre, as well as a change in the small industrial and business zones. Opposition coalesced and a pitched battle developed between the pro-McBride and anti-McBride forces, resulting in litigation. Finally, a compromise was reached. An arbitrary decision was made on the basis of 500-ft. elevation. All property with more than an 8-10% grade is zoned for two-acre on the theory that more land is needed to build on hilly terrain. The rest of the town, some 70%, is zoned one-

acre. Critics charged that the all-Republican Council decreased the zoning because of the threat of legal action by the Church, and the possibility of future reductions to 1/2 or 3/4 acre by the courts. The other proposed changes were turned down.

This action was not the end of the matter. A suit to set aside the new ordinance was filed by the Franklin Lakes Civic Association on behalf of some 200 owners of property adjoining the MacKenzie tract. They claimed that two Councilmen had personal incentives that should have nullified their votes; one had a brother employed by a McBride family enterprise. This was pursued through the Appellate Courts which refused to interfere with the decision.

This left a clear field to the development of Urban Farms, a restricted, prestige community, with home ownership keyed to membership in the club and houses selling from \$60,000 upward. Although McBride built most of the original houses himself, they are now being built by other firms, but he must approve all plans and they must conform in all ways to his standards. McBride owns and controls the country club. A prospective homebuyer must be accepted into the club before he can buy. Although it was understood that all resales of homes were to be by McBride, a number of people have tried to sell homes themselves or go through other agents. McBride then demanded his lost commission be added on to the fee for joining the club, according to local reports.

Although there is another older club community called Shadow Lake in another section of town, Urban Farms has not only been the dominant factor in the development of Franklin Lakes - it has become synonymous with the community. People will identify themselves as residents of the development

rather than the town. It sets the tone for the rest of the home building and builders in other areas have put up similar types of dwellings.

### The New Master Plan and Industrial Zoning

Efforts have been made sporadically to encourage industrial/commercial development in Franklin Lakes. Although the planning firm responsible for the 1953 master plan had originally recommended that 6% of the Borough be zoned for industrial uses, it yielded to pressures and most of the land was ultimately zoned residential.

In 1961, when a master plan was discussed, the Council proposed that all business areas be rezoned to residential. The Chamber of Commerce led an organized effort against the proposal on the grounds that it would rule out expanded industry as a source of tax revenue, as well as preventing established businesses from expanding. The strongest opposition came from McBride and former Mayor DeKorte, father of the present Assemblyman. McBride spoke for the newly formed Franklin Lakes Civic League, stating that "Franklin Lakes will become a dormitory community and the tax rate will go up." He asked that 5% of the acreage be reserved for light industry and 5% for commercial. A Chamber of Commerce survey purportedly showed that residents favored industry along Route 208, by a 3-1 margin.

In November 1962, amid dramatic protest and threats, the Planning Board adopted its plan. Claiming that the Board had failed to hold public hearings, and had ignored protesting petitions from more than a majority of the registered voters, legal action was threatened by McBride, although nothing materialized.

In December of that year, the Planning Board Chairman stated, "industry would not be a desirable thing for this community. Labor and indus-

trial leaders usually demand zoning for low-cost housing for workers. The eventual effect would entirely wipe out tax benefits." This same gentleman had previously compared the construction of a gas station on his corner to the debasement of the neighborhood that would ensue if he sold his property "to colored people."

There is some small industrial development in Franklin Lakes. Most of it is in and around Commerce Street but it constitutes a negligible part of the community. Before IBM, the town had been unreceptive to business looking for sites. Many people still regret the rejection of American Cyanamid which eventually moved to Wayne, since Franklin Lakes missed out on a good ratable, while it is the recipient of a good deal of its traffic. Citizens were unconvinced, however, that this kind of development stabilized taxes and did not want to see the rural atmosphere changed.

#### The Route 287 Location Issue

The projected route of Interstate 287, which has been a source of controversy in northwest Bergen, will materially affect the future development of Franklin Lakes. Interstate 287 has been in the planning stage for a number of years and alternate alignments have been carefully considered. It is to be a major circumferential route around the New York Metropolitan Region, linking the Verrazano (Narrows) Bridge and the New York Thruway.

Basically, two alternative routes have been under consideration. One would go west of the Ramapo River through relatively empty land. The other, the route ostensibly selected by the state, would slice through some of the towns. Although the road only goes through the western part of Franklin Lakes, it does isolate some desirable areas. The decision to go with the current route is evidently based on the fact that the alignment along

the river is too far away from the area to be served, namely towns like Ridgewood and Glen Rock.

Mayor Kinney heads an organization of mayors and interested citizens opposed to the selected route. He claims that the alignment of 287 was a purely political decision and that the present route will force Franklin Lakes to develop much faster, changing the character of the town. "The people do not feel any need for further economic development and do not think anyone has the right to tell them how the town should grow."

Kinney says that the 110 parcels which would be affected by the present route are some of the "finest in town." Some large vacant tracts of 100 and 160 acres are involved, with others ranging from 30 to 60 acres. Some of this land would be isolated from the rest of Franklin Lakes by the road. Almost all of it is zoned residential. Only a partial exit is planned for Franklin Lakes - that is on the southbound side near the Oakland Industrial Park. No exit is planned for the northbound lanes.

Critics say that Kinney is trying to make "political hay" out of what he knows to be a hopeless case, but the change in administration in Washington and Trenton has evidently had its effect. The Federal Bureau of Public Roads has promised to reopen the case with the State, and there have been some discussions with the Cahill Administration. Kinney admits to cautious optimism, and feels that there will be at least a public hearing on the matter.

In any event, 287 will clearly make this section of the county much more accessible and will undoubtedly speed its development in the next decade.



### School Bonds - Tax Issues

As in most of suburbia, the schools are a center of controversy. In this fast-growing community, whose population has more than doubled during the last decade, the educational system particularly shows the strain of rapid growth. School Board elections become power-plays for the various factions. Bonding referendums allow the old-timers to register their dissatisfaction with the rise of public expenditure.

According to all accounts, the school system in Franklin Lakes tends to be conservative. Until very recently, its teachers and administrators were local people, educated at Paterson State and Montclair State Colleges, reflecting local values and not much inclined toward change. The quality of education was uneven, depending on the individual teacher. Critics feel that this is changing; quality is improving and newer teachers are bringing fresh ideas and views.

Some years ago, a coalition was formed between old-time residents and anti-tax newcomers. Its object was to defeat school budgets and new school construction and it was successful. About 5 years ago, a group of concerned residents in the three-town district formed a counter organization called COGS (Committee On Good Schools). It lobbies for school improvements and runs candidates for the Board.

Three schools have been built in Franklin Lakes in the past decade, and the school board is now controlled by the newer, more liberal residents.

### The IBM Decision

Faced with rising school and municipal expenditures, those opposed to zoning for industry began accepting the inevitable. When IBM appeared

interested in Franklin Lakes, the town fathers were not about to let the big fish get away.

As Mayor Kinney recalls it, in December 1967 he was informed by a telephone call that a "Triple-A company was interested in a site in Franklin Lakes." After three months of negotiations, he was driven to Armonk, N.Y., and learned that it was the Office Products Division of IBM. The Borough Council had felt for some time that no community could survive on residential property alone because of the school tax, and a high prestige corporation was just what they wanted.

The 170-acre tract under consideration by IBM was ideal for this purpose. It is in the northeast corner of the town, on the Mahwah border, remote from the fine residential areas. The land was owned by Sam Braen, a road builder and construction contractor known as "Mr. Northwest Bergen." Part of it had been worked as a soil mine for many years under an agreement with the town that Braen would eventually rehabilitate the land. He had a golf course designed by an expert, with a lake and a recreation area, but the town decided it would not be profitable and turned it down. In 1968, that part of the tract looked like the surface of the moon.

It would be necessary to rezone the land from residential to commercial to accommodate IBM. The Planning Board studied the situation and the Mayor announced that IBM would add \$10 million to the town's ratables. "Franklin Lakes," he declared, "has the lowest tax rate of any residential community in the country. Communities with high densities have high tax rates; those with low densities have low tax rates. We must hold the line on residential use and stabilize our tax structure."

Mayor Kinney told residents that this acreage would have supported 150 homes with at least three children in each home, thus adding materially to the school population. He indicated that the tract represented 4% of the vacant land and that there was no intention to have this be a prelude to more industrial development.

The little opposition that was voiced against the rezoning centered about the traffic patterns. Traffic surveys indicated that from 42% to 50% of the people would come in from the southwest and southeast. There will ultimately be about 1,600 cars when the last stage of building is completed. Traffic quickly became an issue in neighboring Mahwah, since part of the IBM tract includes a nine-acre parcel in Mahwah, zoned residentially, through which an access road was planned. Each time Mayor Kinney assured his townspeople that cars from IBM would not clog Franklin Lakes roads, explosions occurred in Mahwah. By March there was favorable but cautious acceptance of the IBM rezoning proposal in Franklin Lakes.

In April 1968, a preliminary ordinance was drafted. Neighboring towns like Mahwah, however, were publicly declaring that they would welcome IBM if there was any problem and Kinney had to get the change through before IBM's option ran out in May. (IBM also had an option on some land in nearby Woodcliff Lake.)

Five months after the initial contact, in June 1968, Ordinance 312 was passed, rezoning the tract. Only two people of some 70 in attendance at the initial hearing spoke on the proposed change. There was, however, a charge of "spot zoning" made by the owner of 25 acres adjacent to the site, who claimed that the rezoning land-locked his property. A subsequent lawsuit was settled out of court and IBM bought the property at a

considerable profit to the plaintiff.

Ground was broken for the IBM installation in April 1969. IBM promises that only eight acres will have buildings - the rest will be landscaped with ponds, streams and woodlands, together with two softball fields, and tennis and basketball courts for the use of its employees.

Whether or not the IBM experience will change any attitudes toward industrial development remains to be seen. The town government and citizens interviewed have claimed they have no interest in future expansion at this time, but the Planning Board is meeting with its consultants to discuss industrial zoning.

According to Borough officials, IBM evinced little interest in housing prior to its locating in Franklin Lakes. There was some mention of moderate-cost housing in early discussions with the Mayor, but the overtures were rebuffed and no further efforts were made.

#### 5. Some Current Practices and Attitudes

One thoughtful citizen with an intimate knowledge of Franklin Lakes says that it is a town in transition - moving from a homogeneous rural Dutch community to an ethnically-integrated, 20th century suburb in a very short time. Many of the new residents grew up in Italian and Irish neighborhoods in Passaic, Paterson or other industrial cities. They have broken the pattern - they have "made it." But they suffer from what he calls an identity crisis. Their social insecurities are reflected in the constant partying and the heavy drinking which is a way of life in exurbia. They are capable of extreme fury in reaction to anything that might pose a threat to their way of life.

There is a kind of desperate feeling in Franklin Lakes today. People know that change is coming. They sense the pressures being brought to bear - pressures that are challenging the system and piercing the wall they have erected around their comfortable club community. Over 16% of the homes in Franklin Lakes turn over each year and some of the new people represent a more liberal element. The teachers are becoming more militant. They are coming from other schools and other areas of the state and bringing some new ideas with them. The clergy is challenging the community's value. Change may be coming, but there are those who will delay or stall it as long as possible.

It still takes a certain amount of courage to be a "liberal" in Franklin Lakes, however. Those families bringing black children from cities to swim in the club pool as part of the Fresh Air Program have been ostracized by many of their neighbors. The fear obviously felt by most residents is evident in all facets of life in the town. A proposal to locate the regional YMCA center in Franklin Lakes is opposed by some because it "will bring a different kind of child into the town to use the facilities." The police have recently acquired riot equipment, just in case the racial trouble in Paterson, some 7 miles away, should spread.

It has long been rumored that there were restrictive covenants on the property in Urban Farms originally, but no one who mentioned them would actually have seen them, and they do not, in fact, now exist. It is true, however, that there are very few Jews and no Negroes, and stories of quota systems and attempts to "break in" still circulate. Nevins McBride states that "anyone who has the money can buy a house." However, his salesmen "know what kind of people will be accepted in the club." There have been a couple of complaints by Jewish families to the New

Jersey Commission on Civil Rights alleging discrimination. McBride claims that few Jews come because "they like their own country club." The view of Franklin Lakes club communities as restricted prevails so widely it is reported the president of a state college was denied his housing allowance when he moved into one.

The fact that Franklin Lakes is known as a "snob community" irks many long-time residents. They say that large-lot zoning was instituted while the town was still rural and no one could foresee its tremendous growth. "It was done to keep the community from changing - not to keep people out and raise the prices, but to keep the town intact and pretty."

Franklin Lakes has no obligation to provide any housing for employees of IBM or any other business, they say. "There is lots of empty land and cheap housing further out - there's no reason why people should feel that they have to live in Franklin Lakes just because they work here." One young woman, who lives in a rented home, said that her husband traveled three hours a day to work in New York City, and anyone who worked at IBM should be content to commute from New York City. This same woman is having great difficulty finding a home she can afford to buy in Franklin Lakes, as indeed would any young couple that must rely on its own earnings.

Despite some complaints that older people find it necessary to move out of town if they want to give up their large houses, and that young marrieds cannot live in the town where they spent their childhood, there are few dissenters to large-lot zoning and prohibition of apartments.

Some residents outside the country club development in Franklin Lakes claim that there is a division between Urban Farms people and the rest of the town. They say that Urban Farms families have little interest

in the Borough aside from the schools. The high turnover of homes and the focus on the country club which provides recreation and social activity may account for this. Certainly, the reputation of Urban Farms for exclusiveness is a factor.

This "exclusiveness" helps explain why many residents are not pleased with the regional high school system. They do not want their children to go to school with the Oakland children, who they feel are "lower class." Fewer of the Indian Hills High School graduates go on to college (50%) than do Ramapo High School graduates (56%), and some of the trouble appears to stem from the fact that the elementary systems of the three towns are autonomous, bringing children with varying educational backgrounds together at the senior high school level. Since Franklin Lakes provides 20% of the students, but pays 25% of the taxes, many cite this as another reason for preferring to go it alone if they could.

#### 6. Factors For and Against Change

The economic pressures on Franklin Lakes today are similar to those on suburban towns all over the country. Taxes are steadily rising with no relief in sight, and some residents, even in this affluent town, are feeling the "squeeze." If an attractive, prestige ratable like IBM proves to be worthwhile tax wise, there is sure to be support for more development in that direction.

Land values, which have risen sharply as the supply diminishes, will soar again with the opening of Interstate Route 287, and the widening of Route 208, which will make the area much more accessible. Homes selling for \$100,000 and up have a limited market and there is bound to be in-

terest in development yielding a better return. A strong faction supporting rezoning for smaller lots and multi-family is sure to emerge. The extent to which it will be able to impose change will depend on the course of events at regional and state levels.

How Franklin Lakes will respond to these pressures and whether they are strong enough to force change remains to be seen. Right now, the majority of homeowners are well able to afford the taxes and those on a limited income do not swing enough weight to influence matters.

If the economic situation does begin to press, it is likely that the town will follow the lead of many of its neighbors, admitting industry and excluding moderate-cost housing. Franklin Lakes' experience in manipulation of land-use controls has equipped it with the "know how" for such a game.

A great many residents of communities such as Franklin Lakes are not yet accustomed to thinking of black executives, bookkeepers, market analysts or file clerks in connection with major American corporations, such as IBM. Housing for black corporate personnel, consequently, still appears as some far-fetched, unfathomable issue for those who gather at the bar of the local club house. But much of the vacant land on the periphery of our metropolitan areas is locked up in communities such as Franklin Lakes. If America is to build 26 million dwelling units by 1978, much of this housing will have to be built on such vacant land. If it is to be housing for all Americans, of all races and at all incomes, the decision will have to be made as to whether the land-use planning for the Franklin Lakes of the nation can be left to local determination as to what suits their own best interest, as they see it.



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B. BERGENFIELD, N. J.

An Analysis of a Community With Moderate-Cost Housing Relating to Upward Mobile Blacks

1. Introduction

Some five years ago, the Porters, a black couple living in East Orange, agreed to buy a house in Bergenfield, N. J., that was listed for sale with the local Fair Housing Committee. The word spread around the neighborhood, and one day when they came out to see the house, they found about fifteen people waiting across the street. Some shouted that they were not ready for integration. They told the couple to go back where they came from -- that no one would play with their children. The Porters attempted to talk with the protesters, but someone had called the police and the crowd was broken up. Several residents subsequently called the couple and assured them of their support. They were visited in East Orange by local Bergenfield clergymen to encourage them to ignore the protests. Two councilmen, including the current mayor, went to the home of the seller, who had been ostracized by neighbors, and tried to calm things down. They also went to the protesters and persuaded them to "cool it."

When the Porters moved in, they were "gold-shouldered" by the neighbors. One woman on the block did move, but since she was disliked by the others, no one was disturbed. Although the police patrolled for a while, and CORE offered guards, they were not needed. There were no incidents. Today, the Porter children play on and off the block. The family is active in church and local affairs as well as in the county fair housing

group.

Early this year, a Negro was elected to the school board of Bergenfield, the first to serve in the Northern Valley region of Bergen County. Calvin Hart, the candidate, was unanimously supported by all groups in town and received the highest margin of votes among seven contenders, with a larger than usual turnout (15% of the eligible voters). It was generally conceded that Hart was elected on the basis of his high qualifications and competence. Although some of Hart's opponents are said to have tried to inject the subject of race by a phone campaign, it is felt that it had a minimal effect on the outcome.

Bergenfield's progress from the Porter incident to the election of Hart is a small candle in a great darkness. But the significance of this candle is great because it was lighted in a community of moderate incomes and modest homes by the standards of most of its Bergen County neighbors. Bergenfield residents have far more reason to speak of the struggle to protect their investments in homes in the midst of rising taxes and maintenance costs than do their affluent neighboring communities, so many of which wax hysterical about "property values" and "school costs" whenever there is mention of open housing or subsidized units. Bergenfield already has a relatively large stock of apartments and two-family houses.

## 2. Who Lives in Bergenfield?

### Income Levels

Bergenfield is a lower middle-class community by Bergen County standards. Its median income in 1960 was \$7,817, or close to the County figure. It was the lowest in the immediate area, except New Milford

which, for all practical purposes, is the same kind of town. Almost half the families in the Borough had incomes in the \$6,000 to \$9,999 range. In 1965, it was estimated that the average income level was \$9,600. Sales Management estimates the 1969 family buying income to be \$11,734.

### Occupation

Residents say that Bergenfield is an economically-integrated community since many of the newer people moving in are young professionals. It is not uncommon to find blue-collar, white-collar and professional people living on the same block.

1960 census figures show that Bergenfield's labor force is primarily at the lower end of middle-income occupations: craftsmen, clerical and sales. The rise in the numbers employed in professional and managerial occupations shown between 1950 and 1960 is expected to be continued in the 1970 figures, although it is generally agreed that the majority of residents work in white-collar jobs in the lower and middle echelons of large companies.

### Education

Bergenfield, in 1960, had a lower level of educational achievement than many of its neighboring municipalities although the median number of school years completed is close to the county-wide median of 11.9. In 1967, 40% of its high school graduates went on to a four-year academic college, with 23% going to other educational institutions.

### Age

The average buyer in Bergenfield today is in his early 30's, the traditional norm for first-home buyers. This is his first house and he has either borrowed or inherited the cash needed. Often his wife has worked

to help accumulate the down payment.

Ten years ago Bergenfield was a young community, reflecting its rapid growth. The median age of residents in 1960 was 32.6 years, with more than one-third of the population under 14 years old. This median will surely rise in 1970, the growth rate having slowed considerably in the last decade.

#### Ethnic and Religious Composition

In 1960, it was reported that 3,022 of the 27,096 residents were foreign born.

Over one-half the population of Bergenfield (16,000 people) is Roman Catholic - the parish is the largest in Bergen County. The balance is split between Jews and Protestants.

#### Political Organization

Republicans generally control Bergenfield's municipal government. In 1961, however, a Democratic mayor was elected and the Johnson victory in 1964 brought in two Democratic Councilmen. The Council has been solidly Republican again for the last four years.

The fifty-year-old Republican Club is alleged to be dominated by Pierce Deamer, the Borough Attorney and former State Senator. However, it is generally conceded that he has little to say about the day-to-day business of the town, but rather uses his influence in the selection of candidates. Most of the Republicans running the town are felt to be middle-of-the-road, and young people are encouraged to join the club and become active in politics.

The majority of voters in Bergenfield are Independents. Governor

Hughes (D.) took the town in the 1965 gubernatorial race, and in November of 1969 Governor Cahill (R.) won by 6,327 to 4,077 votes. Nixon won in 1968 by an 1,800-vote margin with less than 5% in favor of Wallace. Last year, Mayor Charles O'Dowd led his party to a clean sweep of local offices, 6,150 to 4,539. He is generally considered a "comer" in Republican circles and was seriously considered for the congressional primary in 1970.

### Civic Groups

Among the most active groups in Bergenfield having an impact on town policy are the League of Women Voters, the Fair Housing Committee and the Taxpayers' League.

### Integration: "Lots Of Ripples But No Waves."

The 1960 census listed some 26 Negroes living in Bergenfield. This figure represented a drop in the black population. There has always been a small indigenous Negro community, as in many other Bergen towns, that had a place in the agricultural, pre-urban past. A small church and a cemetery still existed in the early 20th century. Although most of the black families lived in one area, they were a part of the town and accepted as such by the residents. For one reason or other, people drifted away during the suburbanization process, and by 1961, there were only six black families left.

In the summer of 1961, a number of concerned citizens met to discuss the possibility of forming a fair housing group. Some had been incensed by a recent incident where social pressures had been used to persuade a homeowner not to sell to a Negro family, even though the family had submitted the highest bid. Originally, citizens from Bergenfield, Dumont,

and Haworth decided to form a joint committee. Some time later, the Haworth fair housers decided they did not want to be aligned with "lower class towns" and broke away. New Milford, sociologically similar to Bergenfield, joined in 1965.

It was not easy to be publicly affiliated with fair housing. Early efforts to form such a group were abandoned when threats of physical violence were received by the organizer's family. A second attempt was also accompanied by threats and a petition was circulated in the neighborhood asking that no one associate with the family. With the cooperation of the local police, the phone calls were traced and terminated.

For a couple of years, the group concentrated on getting home listings and gaining the support of the townspeople, the government and the real estate industry. The open housing group did a good deal of testing and referred a number of complaints to the New Jersey Division on Civil Rights. In 1963, CORE picketed the Foster Village garden apartment complex, protesting rental procedures and discrimination shown against several members.

An effort was made to get support for an open-housing covenant, with the aid of the churches. Response from the clergy varied from a refusal to get involved and grudging support, to active involvement. The Catholic Church, representing over one-half of the population, tried to stay out of the matter as much as it could. Eventually, all the clergymen signed as individuals, but not all circulated the petitions in their churches. One minister who had supported open housing buckled under pressure from the elders of his church and reversed himself. About 50 pledges were signed by the Methodists, 25 by members of the Jewish Community Center,

50 by Calvary Methodists and over 100 by parishioners of the Northern Reform Church. The latter church is one of the most conservative in town and its response lends support to the observation made by a former resident that, "If the conservative Protestant clergy would ever get a social conscience, it would outstrip the liberal Protestants one-hundred fold."

The response in Dumont was not nearly as good. The Catholic Church was hostile to the committee and refused to talk to its representatives. Few of the clergymen wanted to become involved. The Mayor and the Council refused to sign the pledge.

The Rev. Frank Ostertag, then pastor of the Methodist Church in Bergenfield and an active supporter of open housing, recalls that the majority of his parishioners recognized that something should be done about open housing, but couldn't understand why their minister had to be the one to do it. Many were in obvious distress and angry with him, but he never experienced any behavior that was "ungentlemanly or overtly hostile." He did receive some "hate mail" and some nasty phone calls, but he feels that they came from outside the congregation. A few people left his church, but a few joined because of his stand. He also received some very strong support from some of his congregation. A telephone campaign was waged against Mr. Ostertag and his church which seemed to have strengthened the congregation's resolve to support him, reluctantly.

The members of Pastor Ostertag's parish were in the middle-middle-class. They had everything they owned tied up in their homes and they were worried about property values. They let him know that they would not accept any black recruits for the church, but would accept anyone who came on his own. This did happen and the people were accepted. For some



reason, however, an unusually large number of the Negroes moving into Bergenfield are Roman Catholic.

The reaction of the Borough Council to the covenant was cautious. The leaders of the community were willing to sign the pledge, but each one was afraid to be the first, feeling that the others would make political capital out of the situation. Finally, the Rev. Ostertag arranged a midnight meeting one Sunday, with all the town officials present, and they all signed at the same time.

In May of 1965, with a great deal of publicity, the Fair Housing Committee of Bergenfield, Dumont and New Milford released a 25-page report on discrimination in the twin boros (Dumont and Bergenfield). This report documented the pattern of evasion and resistance accompanying attempts by black families to find housing in the area. Twenty-six specific instances were recorded involving real estate brokers, apartment houses, housing developments and homeowners. Tactics ranging from denial of the existence of available housing to excessively rude treatment were described. The report also dealt with the fears of the residents, such as the downgrading of standards, the fall of property values, the loss of personal status and the fear of inter-marriage.

A public forum was held in Dumont shortly after release of the report. Some 250 to 300 people attended - at least half of them overtly hostile to the group. Less than one-fifth seemed to support their aims. Although some of the panelists felt threatened by the crowd, there was no violence that went beyond words. Meetings called by the fair housing group after that were poorly attended, but they received a great deal of publicity, which made it worthwhile. From the beginning, there were all kinds and

types of people in the fair housing committee and a high percentage of the new black families moving into town have become members. There are now about 200 members of the Committee, but only about ten are really active, and they are also active members of the county fair housing organization.

As a result of the publicity, the Committee was contacted by a television network to do a program called "Discrimination, Northern Style." A Negro couple from Teaneck was followed around in efforts to obtain a house, with microphones hidden in their clothes. Fair housing members were shown escorting them and testing brokers and home sellers. It took a tremendous amount of work on the part of the volunteers. The program was televised nationally and was favorably received, though it brought angry protests from the real estate industry.

By 1966, it was estimated that about 15 black families were living in Bergenfield, scattered through all areas of the town. There was still a great deal of opposition and nervousness. At the time of the split in the Democratic Party, the Regulars took advantage of these fears. They circulated a picture of an integrated fair housing picnic with the caption, "Do you want this to happen to your neighborhood?" Observers feel, however, that this had little effect on the election.

At least 30 black families now live in Bergenfield, scattered throughout the town, although people are reluctant to publicize the fact. As a matter of fact, few are aware of the number and tend to underestimate it. There are now also some forty Oriental and Cuban families.

### 3. The Formation of Development Policies

#### Zoning - The Master Plan

Bergenfield enacted its first zoning ordinance in 1940. At that time, the minimum frontage was set at 50 feet. The first comprehensive master plan was adopted in 1949, but it was prepared without professional guidance. It provided for railroad overpasses, new recreation areas, and expanded school property.

By the end of the 1950's, a number of people in town, led by the Democrats, were pressuring for a new master plan. They were disturbed by the fast growth and the traffic conditions. When the Democratic mayor was elected in 1961, a master plan committee was appointed. In April 1962, the committee recommended that a master plan be authorized, but the Republican-controlled council defeated the resolution on grounds that the consultant wanted too much money for the study. Finally, in October 1962, planning consultants were engaged.

The Planning Board was anxious to have full acceptance of the master plan. After five public hearings and presentations before many town groups, the plan was adopted 6-0 in December 1965.

#### Apartmenta

A special apartment study was undertaken by the planning consultants. Garden apartments had met with little opposition by the residents in the early days. Foster Village, the largest development in the Borough, was considered to be a model at the time it was built; but, it has been allowed to deteriorate to the extent that it has become a burden to the town. The planning consultant's studies alleged that the high proportion

of multiple-bedroom units resulted in a large number of school children and caused the town to lose some \$40,000 annually. All the newer projects, however, were money-makers for the Borough in 1964, according to the consultant.

Hearings were held on the advisability of more apartments. A few areas needed redevelopment and it was suggested that highrise apartment buildings would be a better land use. An intensive industrial development, which the consultants advised, would not be compatible with the established character of the town.

The local League of Women Voters questioned the desirability or the necessity of highrise buildings, although it was not opposed to an expansion of the existing garden apartment zones. The Republican Club felt existing height restrictions should be kept, and the Democrats expressed their total opposition to both highrise and garden apartments. The Planning Board eventually took the position that the fundamental principle of the master plan was to limit the population increase and density, and it prohibited all multiple dwellings in the commercial and business districts, restricted garden apartments to three specified locations, and rejected highrise completely.

Although there have been sporadic efforts to expand the garden apartment zones, and indeed to build in the area designated for such in the master plan, permission has not been forthcoming. The mayor states that more than 75% of the residents are now opposed to any form of multi-family housing. They feel that Bergenfield has enough of this type of residential building and they do not want a denser population than they have now. Since there is almost no empty land in the town, the only sites would be

in areas needing redevelopment and some people feel that the continuing rise in taxes may force a consideration of apartments again in the future.

### Senior Citizen Housing

The emergence of an increased number of elderly residents in need of low-cost apartments led the planning consultants, in 1966, to include a suggestion that the Borough consider senior citizen housing. A questionnaire was sent out by the Planning Board, and it subsequently advised that a Housing Authority be appointed, since it found there was a need in the town. The mayor then appointed a Senior Citizens' Housing Advisory Council, which in 1968 recommended that 100 units be built on some vacant land near the business center. They were in favor of an 11-story building as the most economic and practical means. Currently, the Council is considering a four- or five-story structure, feeling that a taller building might open the door to highrise.

The Council has also decided on leasing the property to a non-profit sponsor rather than appointing a public housing authority. Mayor O'Dowd states that the surveys have shown that most of the elderly could afford the higher rents that would result. He says the Borough was warned against a public authority by neighboring communities which have gone that route. It is felt the Federal guidelines and specifications are too limiting, involve too much red tape, and have requirements that may not be relevant to the town's needs. The present plan is to have an interfaith clergy committee act as the non-profit sponsor. This whole project has not yet been presented to the town so that public sentiment is not officially known, although many feel that this kind of housing will be favored because of the evident need. Priorities will be set as to age, income, and length of residence, so that occupancy will be limited to townspeople.

## Politics and Parkland

The Democratic Party has been considerably weakened in the last two years by a split which has resulted in a new reform club. The regular Democratic Club is composed of old-line people, mainly Irish-Catholic, who have been running things for years. Many of them join the conservative Republicans in the Taxpayers' League to oppose school budgets and other expenditures. "They do not control but they do swing weight," says one resident.

Three years ago a group of younger, newer residents formed their own club, claiming that the regulars would not allow any discussion and made all the decisions "in the backroom" without consulting the members. Many of the reform Democrats are members of the statewide coalition initiated by Kennedy and McCarthy supporters; some have been active in fair housing activities; a good number are Jewish.

One of the prime issues of the 1969 campaign was the future of the 40-acre Twin Boro Park. The Democratic Council candidate said he wanted to use most of it for park land, although he did not foreclose industrial or school use. He was concerned, however, about the traffic patterns if it were zoned for industry. The other candidates did not specify where they stood, but the Democratic mayoral candidate said he would call for a referendum on the question if he were elected. Mayor O'Dowd, running for re-election, opposed a referendum stating that "they can be very harmful when narrow defeats are suffered." He suggested that councils seldom go against the voters' wishes although such referenda are non-binding.

The Democrats based much of their campaign on a plea for two-party government in the Borough, while the Republicans stressed that the quality of representation was far more important than the party.

#### 4. Growth Prospects

Modern Bergenfield was originally part of Schraalenburgh, a Dutch-Huguenot farming community settled in the middle of the 17th century. For nearly a century, almost everyone living in Schraalenburgh, which also included the modern towns of Haworth and Dumont, was a descendant or relative of David DeMarets, who emigrated from France by way of Holland and bought 7,500 acres between the Hackensack River and the Palisades from the Tappan Indians. The Civil War found Schraalenburgh, still a town of less than 100 families and as Dutch as it had been 150 years before, split again, as was the rest of New Jersey -- much of which regarded itself as a border state.

The post-war boom brought the railroads to Bergen County and a fast rise in the price of land. In 1873, the New Jersey and New York Railroad, running between Ridgefield Park and Tappan, built a station in the southern half of Schraalenburgh. When the area residents could not agree upon a name, the exasperated railroad officials stamped the tickets "Bergen Fields," which was later modified to Bergenfield when the Borough was incorporated. By the late 1870's, the line became part of the West Shore Railroad and the boom had started as the ease of transportation lured commuters. It was a 45-minute trip from New York City, with 22 trains running daily. Farmers began to break up their property into 40-ft. lots which sold for \$10 down. They advertised in the New York papers, extolling the virtues of the town, its proximity to the railroad, and the presence of the water mains of the Hackensack Water Company.

In 1894, Bergenfield was one of 28 New Jersey communities to become part of the "Borough Mania" and set up a separate municipality under a new

municipal enabling act. During the next twenty years, streets were laid out (originally like the Bronx and Queens, with stores every block or so, rather than strictly residential) and paved, electricity and gas supplied and, in 1924, sewers were installed with a disposal plant in the town. In 1910, the population was 1,993. Ten years later it was 3,667. Houses were built by developers on large tracts and the town continued to grow rapidly as bus and automobile traffic opened the outlying areas.

Immediately after World War I, local developers began to build low-priced houses on small lots. The population more than doubled during the 1920's, and by 1930 almost 9,000 people lived in Bergenfield. There was a lull during the depression years, despite the opening of the George Washington Bridge in 1931, which provided easy access to New York City. The small influx of workers employed in defense plants in Bergen County provided for some growth during World War II. As soon as the war was over, the builders made up for lost time. In 1950, there were 17,647 people in the Borough and the 1960 population was 27,203, a 65% increase. The 1968 estimate is roughly 30,000 or 10% increase from 1960. Most of the immigration is from New York City and the adjacent industrial areas on the New Jersey side of the Hudson, primarily Hudson County. It is believed that under the present zoning, the saturation population of Bergenfield is about 31,500 persons.

#### Location and Topography

The Borough of Bergenfield, some 20 minutes driving time from the George Washington Bridge, is bordered by Dumont on the north, Teaneck and Englewood on the south, New Milford on the west and Tenafly on the east. It lies within the central plain of Bergen County. The topography of its 3.4 square miles is generally favorable for development, with the eleva-



tion rising gently from 40 feet to 135 feet.

#### Current Land Use and Zoning

A land-use survey in Bergenfield in 1964 showed most of its 1,920 acres zoned residential: 46.5% (913.3 acres) single- and two-family houses, and 2.5% (48 acres) garden apartments. It listed 1.3% (24 acres) in industrial development, with 3.8% (72.8 acres) commercial. Most of the 138 acres listed as vacant in 1964 are now built up; the town is about 98% developed. 157 acres are listed as quasi-public and belong to the Knickerbocker Country Club, zoned for one-half acre residential. The only other large area is the Twin Boro Park which is the former site of the Bergenfield-Dumont sewerage treatment plant. Since the towns hooked up with the Bergen County Trunk Sewer, the land became surplus and considerable controversy was engendered as to how the land should be used.

Until recently, there were no restrictions on two-family homes in Bergenfield. They are scattered throughout the Borough, and many are fairly new. Many were built as duplexes and some are one-family houses that were converted. The Council is now considering a proposal to limit two-family homes to certain areas of town. There was no minimum lot size at all until the present 100-ft. minimum frontage was adopted.

The ordinance restricting garden apartments to contain 75% one-bedroom units and 25% two-bedroom units is also relatively new. Older developments contain many two- and three-bedroom apartments.

#### Roads

Traffic has become a problem in Bergenfield, partly as a result of its thriving retail shopping district. Washington Avenue, being the backbone of the region's north-south system of roads, becomes congested quickly,

since there is no other major road in the Borough. Clinton Avenue and Main Street are the only direct east-west routes through the Borough. New Bridge Road, crossing the Hackensack River, terminates at Foster Village, the largest shopping center, just at the Teaneck border on Washington Avenue. This creates some of the worst congestion in the town, particularly during the peak hours.

#### 1969 Taxes

Municipal Budget	\$ 2,479,112	
Total Borough Tax Levy		(Rate)
County	857,248	(.50)
Schools	4,674,652	(2.74)
Municipal	1,684,112	(.99)
Exemptions	180,980	(.11)
Total Levy	\$ 7,397,108	(4.34)

The 1969 tax rate of \$4.34 per hundred is one of the highest in the County. It is based on an assessment of 83.36% of true value. This may be compared, for example, with Teaneck, also a mature, relatively high-density town, which had a 1969 tax rate of \$4.51 based on 80.55%. Dumont, Bergenfield's "twin boro," had a tax rate of \$4.74 (the highest in the County) based on assessment of 75.72% of true value.

Bergenfield assessed value averages out to \$7,650 per capita, as compared with \$13,000 average for the County, \$9,202 for Teaneck, and \$13,500 for Tenafly, its immediate neighbors.

#### Community Facilities

Residents have few complaints about municipal services and facilities. Bergenfield has a 38-man police department and three volunteer fire

companies. There are no blacks in either department; there is no evidence that any have made attempts to join. Its new, handsome library is well stocked and accessible to all residents. Refuse is removed by the municipality. Roads are well maintained.

The twelve houses of worship in Bergenfield include two Jewish temples, nine Protestant and one Roman Catholic church. The South Presbyterian church is a Dutch Reformed congregation established in 1723 and still using its 200-year old building.

#### Health & Social Welfare

Bergenfield residents are served by private, voluntary hospitals in Englewood and Teaneck, as well as the municipal hospital in Hackensack. It has its own "Baby-Keep-Well-Station." Its part-time Director of Welfare administers public assistance programs, although much of this responsibility has been taken over by the County.

#### Recreation

Bergenfield has very little open land for recreation. Its 57 acres of park land is far below the minimum standard for a town of 30,000. Although there is some discussion about possible industrial zoning for the disputed Twin Boro Park acreage, it appears it will be utilized for recreational purposes. The town has a part-time recreation director and runs a summer playground program.

#### Shopping

Although many of the neighboring towns' retail trade was hard hit by the growth of the regional shopping centers in Paramus, Bergenfield's small businesses have prospered. Most of these stores are strung out along Washington Avenue, the major north-south artery between Route 4 and

Teaneck, Bergenfield, Dumont, Haworth and Harrington Park. It is estimated that Bergenfield's effective primary retail trade area extends from the Hackensack River to the Erie Railroad in Tenafly and from northern Teaneck to the Oradell Reservoir.

Mayor O'Dowd attributes much of the success of retailing in Bergenfield to encouragement by the town. He says that there has been a close relationship between the Chamber of Commerce and the town government which has been beneficial to both. The Chamber is very active in all aspects of Borough activities and has contributed much to its beautification program.

#### Schools

1969 enrollment	5,873
<u>Elementary</u>	5 schools
Average class size	28
<u>Secondary</u>	One Junior High and one Senior High
1970 School Budget	Current Expenses     \$ 6,142,420
	Capital Outlay         12,591
	Total                    6,155,011
1969 Cost per Pupil	\$665.06
<u>Private</u>	Roman Catholic, grades 1-8, about 900 students

The Bergenfield school system has a solid reputation. Residents interviewed felt their children were getting a good education and expressed pride in the superior music department. They say the system allows freedom of thought and a certain amount of flexibility. There is, however, a split on the School Board between the progressives and some of the more conservative people who were elected on a "no frills" basis to hold down the tax rate. Bergenfield voters defeated its school budget in a referen-

dum in 1969 for the first time in years, but passed it for 1970.

Most of the school plants in Bergenfield are located on undersized sites, as is the case in many older towns. Although some of the buildings are quite old, there is no space for relocation and the town has resorted to renovation, modernization, and new additions when necessary.

It is interesting to note that the elementary school enrollment has exceeded projections for the last few years, while the secondary school population has remained fairly static and under the projected estimates.

#### Employment Opportunities

The number of residents working in New York City is decreasing as more people work within the county, with others commuting to Essex, Hudson, and Rockland Counties. Some residents have had their jobs come to them when their employers moved to Bergen County from the city.

Since the local railroad now carries freight only, the bulk of the residents commute by bus or car. It takes from 45 minutes to one hour to reach the downtown Port Authority bus terminal from Bergenfield. There are also many buses going across the George Washington Bridge. These take about twenty minutes, but riders destined for central and lower Manhattan must continue their trip for about 30 minutes more by subway. Routes 4, 9W and 17 are easily accessible, as well as the Palisades Interstate Parkway, the New Jersey Turnpike, and the Garden State Parkway.

Many women from Bergenfield work in the surrounding area. Secretarial jobs are available in the companies located on Route 9W in Englewood Cliffs, such as Prentice-Hall, Lipton Tea, Volkswagon, etc. People say that if the transportation to Route 9W were improved, more women would work there. The local merchants employ a good number, as well as Scholastic

and Parents' Magazine. Some have teaching jobs in nearby towns where housing is too expensive for teachers to live.

About five years ago, there were 417 business and manufacturing establishments in Bergenfield, employing 2,957 persons and providing pay-rolls totalling \$11,235,000. Retailing is the largest commercial activity. There are over 250 retail trade establishments employing about 1,300 people.

The second largest source of local employment is the service trade. Nine-hundred and thirty persons are employed by 118 service establishments, including Parents' Magazine's circulation facility which is the largest single employer. There are about twenty wholesale establishments employing 350 people and over thirty small, locally-owned, manufacturing businesses employing about 500 people.

#### Housing Stock

In 1968, Bergenfield was estimated to have 8,900 housing units. Of these, about 75% were single family, more than 8% were two-family, 2% were three to four families, and over 13% were more than five families. This is reflected in the more than 20% renter-occupied units in the Borough.

In 1960, 98% of the total units in Bergenfield were found to be in sound condition. More than 62% of them were less than 25 years old. Only 19 units were found to be dilapidated at that time, and most of these have been demolished or restored since then.

At the time of the master plan studies, the consultants surveyed three areas with a view towards possible urban renewal. They were in and around the mixed-use areas near the railroad tracks and the business dis-

trict. Most of the buildings were found to be standard and ineligible for any public programs. It was recommended, however, that the areas be rehabilitated by private initiative.

### Supply

There are no hard figures on the current rate of turnover in Bergenfield. The 1960 census revealed that half of the population of the Borough had changed its place of residence in the past five years. The Borough had traditionally been considered a "way station for people moving up the economic ladder," but now many are building additions or remodeling their homes because of the tight mortgage supply and high prices of houses in the last year or so. When the situation is eased, observers believe that there will be a considerable amount of movement.

### Price

The median value of owner-occupied housing is about the lowest in the surrounding area. Most of the homes in the Borough are one-story, bungalow-type and two-and-one-half story colonials. Prices have risen sharply in the last couple of years and the average home is selling within the \$30-35,000 price range. Newer, split-level homes on larger lots in sections adjacent to Teaneck sell in the \$60-70,000 bracket. Fairly new two-family houses range from \$40-50,000.

In 1960, the median rental was \$111. Rents in two-family houses and apartments are now about \$225-250 for most two-bedroom units.

## 5. Some Current Practices and Attitudes

A number of elements have affected the course of integration in Bergenfield. Mayor O'Dowd feels that the progress made since the incident

over the Porter's house purchase is due to the fact that the power structure is not militantly against integration. Many of the oldest residents had grown up with the original black residents and, although they had a paternalistic feeling about "their own people," they did not become hysterical at the prospect of blacks on their block.

The mayor says that there is also a feeling that Negroes who could afford to live in the Borough must be decent people who would be an asset to the town. The town government claims to "come down hard" on any attempts at block-busting. Brokers have been warned that they would not be welcome in the town if they tried it. If town officials hear of any panic-selling, they claim that they "get over to the neighborhood as soon as possible to damp down the fires."

The Porters' experience seems to be similar to that of others moving in. Most of the hostility is expressed to the seller at a time when there is still a chance of influencing the sale. When it becomes a de facto situation, there is grudging acceptance. The neighbors adopt a "wait-and-see attitude" toward the new black occupants. There is a certain amount of name-calling, but no actual violence. The schools protect the children and the town will do what it can. After an initial period of tension, normal human relations assert themselves over racial lines and the block accommodates to the newcomers as people.

Beside the efforts of the Fair Housing Committee, which has been instrumental in finding homes and creating an environment of acceptance, as well as riding herd on brokers, the changes in the State law have directly affected the situation. The strengthening of the Law Against Discrimination in 1966, and the expansion of the powers of enforcement have made



brokers and sellers more wary. Brokers worry about losing their license and fall back on their "duty to obey the law" as a rationale for showing property to blacks.

If a black buyer persists, he can buy in Bergenfield, although he may still need the help of the Fair Housing Committee or the State's Division on Civil Rights. Most brokers still do not show Negroes homes in the town if they can help it. They will discourage them about the prospects of purchase and try to steer them to other communities such as Lodi, Garfield or Teaneck. If the home is on multiple listing, an out-of-town broker might show a house to Negroes, but many homes are sold privately and through word-of-mouth. Many brokers try to avoid showing to blacks by not advertising their prize listings.

Many realtors still seem to feel that their business will suffer if it becomes known that they sell to minorities. When questioned, however, they cannot name anyone who has been affected, although most of them have sold to two or three black clients. There is an ordinance preventing "SOLD" signs from being put up, so some signs saying that a deposit has been taken have appeared. Although there is no restriction on "For Sale" signs, they are not going up, possibly to avoid publicity.

All is certainly not rosy in Bergenfield, but while there have been some ripples, there have been no waves. The majority of the residents do not like what is happening, but they are reluctantly accepting it. In 1968, the Borough Council signed a statement of belief on fair housing but has rejected a request to appoint a human relations commission on the grounds that there is no need for it, pointing to the failure of most of the commissions in neighboring towns.

Local real estate agents report that prospective white homebuyers ask about Negroes. "They will not be affected if there are a couple of families in the neighborhood, but they will not buy next door." People are quite open about their reluctance to move to neighboring Teaneck because of the racial situation, but they have heard very little about Negroes in Bergenfield.

The question as to why relatively few Negroes seek to live in Bergenfield can be answered in part by pointing to the proximity of Teaneck. One of the problems facing any fair housing group in Bergen County is the fact that many blacks coming from New York City are not familiar with any towns except Teaneck, Hackensack and Englewood. Most of the other towns may seem threatening and far from the city. Some are afraid of the reception they might receive in these towns.

Although Bergenfield has a supply of moderate-cost housing, the prices are rapidly rising due to the economic pressures of the metropolitan region. Blacks are also forced to pay top dollar for their houses. They have no leverage and little room to bargain.

#### 6. Change Factors

It is obvious that Bergenfield has few options for the future. It is over 98% developed, and has no decaying area suitable for urban renewal. The little vacant land left has been upzoned in the hopes of keeping whatever open space is left from becoming as densely populated as the rest of the town.

So far, integration has proceeded on a small scale and proponents of open housing hope to avoid the concentration of Negro home buyers as in

neighboring towns such as Teaneck. They are proud of the fact that there is no mini-ghetto in Bergenfield and feel that the present slow, but steady movement of black families into town is very healthy. It is quite obvious, however, that the 70 Negro, Oriental and Spanish-speaking families in a town of over 30,000 represent hardly a significant token of integration. Bergenfield's younger white residents (lower-middle-income craftsmen, salesmen, clericals, government employees, teachers, health workers, bus drivers) find themselves increasingly working as equals in status and pay with Negroes and Puerto Ricans as fair employment practices, educational opportunities and the labor needs of the economy increase the number of minority employees in white-collar and skilled blue-collar jobs. Will Bergenfield's stock of moderately-priced houses ever be available to their black fellow-workers in numbers that are more than a token?

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C. Case Studies of Community Attitudes  
on Publicly-Assisted Housing

1. The Case of Englewood, New Jersey: Litigation  
Opposing Non-Profit Housing Outside the Ghetto

Early in the spring of 1970, two cases will be heard in New Jersey courts on the location of non-profit housing in Englewood. The controversy that gave rise to the litigation and has divided this suburban community on political and moral grounds, as well as racial, involves the Federal mandate that federally-assisted housing projects in ghetto areas be "balanced" by housing built elsewhere in the community.

Two sites have been selected for relocation housing by the Greater Englewood Housing Corporation (GEHC), a private, non-profit corporation formed by the mostly black Galilee Methodist Church. Both tracts are vacant, owned by the municipality, and zoned for residential, single-family houses. Each is about ten acres, and has been found suitable for multi-family development. One, the Lafayette Place site, lies in the predominantly Negro Fourth Ward. The other, the Trumbell Park site, abuts a golf course in the exclusive, all-white East Hill section. The latter is the source of the conflict.

Englewood, with a population of some 28,000, is located in Bergen County about five minutes from the George Washington Bridge. Its five square miles lie on the western slopes of the Palisades. In the early 1900's, Englewood began to attract wealthy families who bought large estates on the East Hill. Many of their mansions are still there and, despite urbanization of the area, most of the estates remain intact.

Families in the big houses needed large staffs and their household employees, mainly Negroes from the South, were quartered at the base of the hill. They were soon joined by Irish and Italian tradesmen and laborers needed for local trade and service. As the city developed, the middle-class began to move in on the lower slopes of the hill and on the flat ground to the west. Both the white lower middle-class and the black community expanded. The latter supplied domestics and blue-collar labor for surrounding areas, as successive waves of immigration from the South supplanted the upward-mobile Negroes moving to transitional areas of the community and neighboring Teaneck. For 20 or 30 years, Englewood contained half of the black population of Bergen County. It is estimated that Englewood's present non-white population numbers about 8,000 or approximately one-third of the whole.

As the mini-ghetto grew, Lincoln School, which most children from the ghetto attended, became predominantly black. Following the 1954 Supreme Court decision against segregated schools, Englewood was the scene of one of the earliest efforts to desegregate. A bitter controversy ensued. National civil rights groups intervened in the struggle and demonstrations and sit-ins, which were reported in depth by the national media, took place. Finally, schools were integrated, largely by means of busing and redistricting. Englewood's private schools, traditionally attended by children from its upper-class homes, now gained enrollment as some middle-class families took children out of the integrated schools.

In the summer of 1967, during the Newark riots, Englewood had an "incident" which was characterized as a "racial disturbance" by the Governor's Select Commission on Civil Disorder. Windows were smashed; crowds collec-

ted; some arrests were made. The role that housing played in the situation was readily apparent to anyone viewing the Englewood scene.

The Select Commission, in reporting its findings on the Englewood disturbance, noted that "Housing has been an issue for over 50 years and today 'the situation has become grossly aggravated' (quoting a witness). All witnesses agree housing is Englewood's chief problem."

There has been a preoccupation with housing improvement for Englewood's black residents for many decades. A public housing authority has existed since 1941, but has not built a single unit. Countless resolutions, ordinances, hearings, surveys, studies, and plans have dealt with housing for lower-income families, but none has been constructed by the authority.

A survey by Englewood's planning consultants in 1968 showed an immediate need for 650 new or rehabilitated housing units for low- and moderate-income families. Clearance planned for the blighted Fourth Ward area would have required relocation of 310 households, of which 302 were black. Another 350 or more families were found to be living in substandard housing outside the clearance area. Approximately two-thirds of these families were black, according to 1960 census figures.

In the fall election campaign of 1967, the Democrats promised to deal with the "boycotts, chaos, turmoil, street violence, and bitterness." Their mayoral candidate guaranteed that, if elected, he would have public, low-income housing built on the sites in question. He also promised that the municipality would assist a private group in building it.

The Democratic candidates won for the first time since incorporation of the city in 1898, but by only 17 votes. A recount was ordered and the outcome hotly contested in a legal action charging that a number of voters (most of them black) were not eligible to vote. The Democratic victory had been made possible by the overwhelming support of the Fourth Ward, and was affirmed by the court.

It is interesting to note that relocation housing was on the ballot in three questions, and that the voters rejected the Democratic version, although it was a non-binding referendum.

In order to circumvent the still-Republican-controlled Englewood Housing Authority, the new Administration reactivated the Englewood Redevelopment Agency, an autonomous arm of the city, which immediately formulated an ambitious, 335-acre, \$8.5 million urban renewal program. Early in 1970, in response to cutbacks by the U.S. Department of Housing and Urban Development (HUD), the first year's application was trimmed from \$4.5 million to \$2.1 million, eliminating 23 acres slated for clearance.

Part of the new housing planned for the Fourth Ward included 86 low- and moderate-income units to be constructed by the Mount Carmel Guild, a non-profit housing corporation sponsored by the Roman Catholic Archdiocese of Newark. Eight units have already been completed on a small piece of vacant land, and the rest are awaiting clearance and relocation. The units will be leased to the Englewood Housing Authority for a rental covering basic costs, and the Authority will make the units available to low-income families with the aid of Federal rent supplement payments.

The urban renewal plans in the Fourth Ward depend largely on relo-



cation housing to be built by the GEHC. About 270 cluster type one- and two-story duplex homes are to be built on the two sites: 140 units on Trumbell Park and 124 units on Lafayette Place. Since a survey of family size in the clearance area showed a large number of single persons and couples, many of the units are to be one- and two-bedroom, or convertible. Coverage of the land will remain under 16%, with generous buffer zones provided. A prominent architect was engaged and great care was taken to achieve a "pleasing variety of appearance in keeping with the development of nearby properties."

The funding for the GEHC projects will come from Federal and state sources. There is a firm commitment for a \$5.5 million mortgage loan from the New Jersey Housing Finance Agency. The rest of the financing will come through the Federal 236 interest-subsidy program and the rent supplement program for low-income families.

When plans for the GEHC development were announced, the all-white citizenry around the Trumbell Park site rose in opposition. They formed the First Association of Citizens and Taxpayers (FACT), put out a newsletter, and raised money to hire legal counsel. The group's initial position was that almost anything but low-income housing should be built on the tract. An office building or campus/industrial development, members said, would produce profits which could be used for the construction of such housing somewhere else. Lower-priced private homes were suggested. After some stormy organizational meetings, FACT proposed that the property would best be left undeveloped for passive recreational purposes. The Fourth Ward (ghetto) site was never challenged.

The somnolent Englewood Housing Authority had by then come forth with

some proposed public housing projects of its own. Among the sites it chose for "turnkey" construction was the Lafayette Place tract, which it claimed under an old deed. Although the deed had a three-year limit which had expired when the right to the land had not been exercised, the Authority threatened to initiate legal action to block the GENC plans.

To add fuel to the fire, a letter from the Commissioner of the Housing Authority to HUD Secretary Romney was made public. Asking Romney to re-examine Federal regulations requiring that low-income housing be built outside as well as within the ghettos, the Commissioner claimed that urban renewal throughout the country is being held up because the guidelines "require a community to locate welfare families in viable white suburban neighborhoods whose mores, educational levels and morals are poles apart." He suggested that "the only solution to getting the housing program on the road is to treat welfare housing separately and distinctly from the general slum clearance and relocation housing programs."

In late December 1968, GENC advised the Mayor and City Council that it had received tentative state and Federal approval for the project, and formally proposed the execution of a nominal rent lease for the two tracts involved. By resolution dated January 2, 1969, the Council expressed its willingness to execute such a lease subject to various conditions, such as a firm commitment from the state and HUD, and the granting of a use variance and subdivision approval.

FACT attorneys attempted unsuccessfully to get a court injunction barring the Planning Board, the Board of Adjustment, and the City Council from acting. Then the Board of Adjustment began a series of twelve,

lengthy, tumultuous public meetings on the GEHC application for a variance which would allow multi-family dwellings to be constructed. As many as 700 people turned out for the 60 or so hours of testimony. Half were whites coming to protest the plan, and half were Negroes and white supporters. There was no physical violence, although police were present to keep order.

In May 1969, the Board of Adjustment recommended the granting of the use variance on both tracts and, after a public hearing, the Mayor and Council adopted the recommendation. The report of the Planning Board releasing both sites as not being required for public purposes was also considered at that time, and a resolution was adopted authorizing the execution of leases to GEHC.

In July, after public hearings, the Board of Adjustment granted a bulk variance respecting yard, height, and parking restrictions. FACT at this point started a number of legal actions challenging the lease, the use variance, and the bulk variance, charging among other things a conflict of interest on the part of the Mayor, and arbitrary action in executing a lease with GEHC without adequate inquiry into its financial and managerial ability. These suits against the city, GEHC, and the Board of Adjustment were consolidated for trial and were heard in October 1969 by Superior Court Judge Theodore W. Krautwein.

After the case was heard, but before the Judge announced his decision, Englewood elected a new Republican Mayor, although voters chose Democrats for state and county offices. Observers said that the Democrats lost on the housing issue which was the most important one in the campaign. The new Mayor was quoted as saying that "any relocation site will stir contro-

versary because the private homeowner feels threatened by the presence of lower- or moderate-income housing in his area." He promised to start building housing in the ghetto while the other site was in litigation.

Two days after the election, the Judge found for GEHC, stating that the plan was within the limits of state law and the state constitution. "GEHC," he stated, "is precisely the type corporation designated as a qualified housing sponsor...It has always been a fact, a fact well-known, that GEHC had minimum financial resources and could only accomplish its plan if funded by the State under R.S. 55:14-J and by Federal subsidies." He also found that the Mayor "did not have a personal or private interest but rather he had one that was public and common with the members of the public."

The validity of the use variance was affirmed, as well as the bulk variance and the execution of the lease. The case is now on appeal and will be heard in the Appellate Division some time this spring.

Four more suits have been filed by FACT challenging various actions of the Planning Board, the Council, and the Board of Adjustment. Included are the location of an access road, an ordinance vacating "paper" streets, and the tentative and final subdivision and site plan approval. These cases also will be heard in the early spring. Again, the Fourth Ward site is not in question. It was represented to the court during the pretrial hearings that the new Republican Administration has taken a neutral position on the matter.

There is cautious optimism today in the GEHC camp. Attorneys for the corporation feel they are on solid ground in both cases and that plans

have advanced too far to be thwarted by the new Administration. Although the previous decision was on very narrow grounds, the legal team is hoping they will have an opportunity to argue the broader constitutional issues in court and, perhaps, establish a precedent that would affect the course of low- and moderate-income housing in the State of New Jersey.

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2. The Case of Somerville, New Jersey: Blockage of Publicly-Assisted Housing for Moderate-Income Families by a Mayor and City Council

Somerville (N.J.) has a population of approximately 15,000 persons, about 12% of whom are black, and a small number of Spanish-speaking persons. It is the Somerset County seat and located on Route 22, about one hour's travel time to New York City. Somerville's Negro population is mainly employed in low- or semi-skilled occupations. There are few middle-class Negroes within the town. Instead, the black middle-class tends to reside in nearby Franklin Township, a suburb of New Brunswick.

As of 1960, the census reported that Somerville had about 289 (or 7.3% of the 3,984) housing units considered dilapidated or deteriorating. Most of the housing stock was old: 60% of the housing was constructed prior to 1939. Overcrowding was prevalent: person per room ratios exceeded general health standards of 1.01 persons per room in 243 of the units. A survey reported in the Somerville Master Plan, completed in 1967, showed 264 structures (not housing units) as deficient, with extensive repairs needed. During the last nine years (since 1960), there has been an addition of 2,000 persons moving into new housing units. Very few of these housing units have met the needs of the low- and moderate-income families of Somerville.

Somerville has also seen the attrition of its housing stock by demolition of low-income housing units and will demolish more units for the urban renewal project. The project, located in a 3-block area of the central business district, includes modernization of the area. Some 52 families

(many of whom were Puerto Rican) were displaced: no housing re-use is planned. Another block in the business district has been slated for demolition to make way for additional parking for government employees.

In 1968, a building permit was issued for the construction of one- and two-bedroom apartment units on a 4½ acre land tract located on South Bridge Street. The builder, who owned the land, had no difficulty in securing the necessary approvals from municipal officials for these units, the rents of which would have been beyond the means of the majority of Somerville's blacks. After encountering financial difficulties, the owner sold an option on the land to the Somerset County Housing Association, Inc., (SCHA), a non-profit housing corporation. SCHA was born in response to the widely felt need of lower-income Negroes for improved housing and in particular because the urban renewal project had reduced the amount of housing available to low-income families.

The SCHA has an interracial membership and a board of trustees composed of nine blacks and four whites. SCHA planned to use the site for approximately 70 units of housing financed through New Jersey's Housing Finance Agency. The units were to be 20% two-bedroom, 60% three-bedroom and 20% four-bedroom units, and would be available for moderate-income families.

SCHA, led by Mrs. Rita Solow, president, approached the Mayor and City Council to pass the "resolution of need" required by all housing financed through the State's Housing Finance Agency. This resolution is a simply worded statement affirming that need exists within the community for moderate-income housing. SCHA's request for the resolution resulted in a refusal by a 4-2 vote in September 1969 for the following reasons: need for housing had not been substantiated, the schools would become overcrowded,



and the new units would bring in low-income "outsiders."\* (The above questions were never raised when the original owner was given permits to build apartments that definitely would have been rented by white tenants with higher incomes.)

In November 1969, SCHA sought the Mayor's and Council's approval of the resolution of need. Again, the resolution was defeated by 5-1. According to a newspaper report, the Council's considerations were with "all the citizens of the Borough of Somerville." A report signed by five of the six Council members stated "The Borough of Somerville cannot assume the social obligations of the state and County." It further states, the "current trend" is to remove social responsibilities from the local level, citing the transfer of child welfare programs from the municipalities to the counties as an example.\*\*

SCHA is in the process of revising its building plan to include a co-operative apartment building and to grant priority to units to be built for Somerville residents. They are hopeful that the revised plan will gain a majority of the council and that the resolution of need will be passed in April 1970. Failure to secure passage by July would jeopardize the entire project since the land option expires in July.

New Jersey's HFA has agreed to supply the mortgage money. However, no further action can be taken until the resolution of need is passed. The project is expected to qualify for tax abatement under New Jersey Law,

\* Somerset Messenger-Gazette, Feb. 19, 1970.

\*\* Ibid.

another sore point with the Council. (The project would pay 15% of gross shelter rent in lieu of taxes, or approximately \$27,000 more than Somerville receives on the now vacant land.) On this question, the report (referred to previously) stated: "Tax abatement cannot be considered at this time because of the fiscal condition of the Borough at present and in the near future, and because of the legal qualifications imposed by the State." The Borough Council has authority to grant tax exemptions under the state's Fox-Lance Law in areas declared blighted. This law provides for a payment of 15% gross income in lieu of taxes based on assessed value. "We have reached our maximum tax load under present tax policies and we feel that any tax abatement is prohibitive to the property owners of the Borough."

Should the Council again fail to grant the resolution of need in April 1970, some SCHA officers are considering a court challenge of the Council's refusal to recognize the need for middle-income housing.

#### IV. OBSERVATIONS ON SOME IMPLICATIONS OF THE STUDY'S PRELIMINARY FINDINGS

The type of metropolitan region we are creating is proving unworkable. The metropolitan regions of the United States, of which the Tri-State New York Region is the largest and probably the most highly developed, represent a form of human settlement which, in an historical sense, is relatively new. As such, it is to be regarded as an experiment that is yet to demonstrate the viability of this form of social organization, especially its ability not only to accommodate technological change, but to provide equal access to opportunities for all of the people.

Our study of certain crucial aspects of the New York Region's development (the distribution of population and employment by income and race) leads to the observation that this form of social and spatial arrangement contains inherent weaknesses. Unless these weaknesses are remedied by measures that are unprecedented, at least in this country, our present metropolitan form is susceptible to ever-worsening crises and major disasters.

Neither the concept of the American metropolitan region as a recent and as-yet-evolving form of social organization, nor the portent of its disastrous future, are original to this study. Social scientists who have shown concern with urban forms or history have consistently noted the

newness and uniqueness of the American metropolitan form\*. This view, however, has had less exposure to the general public, except through popularizations of Jean Gottman's description of "megalopolis," the growing together of sprawling metropolitan regions. The portent of a crisis-ridden future for metropolitan America has been spelled out many times by others, most impressively by two Presidential Commissions: one on civil disorders (Kerner)\*\*; the other on violence (Eisenhower)\*\*. The structural defects and functional deficiencies of American metropolitan organization have been explored and described by two other Presidential Commissions: on housing (Kaiser)\*\*; and on community development and zoning (Douglas)\*\*.

\* Blumenfeld, Hans; The Modern Metropolis: Its Origins, Growth, Characteristics and Planning. The M.I.T. Press, Cambridge, 1967.

Bollens, John C. and Schmandt, Henry J.; The Metropolis: Its People, Politics and Economic Life. Harper and Row, New York, 1965.

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\*\* National Commission on the Causes and Prevention of Violence. Staff Reports. Vol. 1-10. (Reports submitted by various staff members to Commission Chairman Dr. Milton S. Eisenhower). U.S. Government Printing Office, Washington, D. C., June 1969.

National Commission on Urban Problems. Building the American City. Paul H. Douglas, Chairman. U.S. Government Printing Office, Washington, D. C., 1968.

President's Committee on Urban Housing. A Decent Home. Edgar F. Kaiser, Chairman. U.S. Government Printing Office, Washington, D. C. 1967.

Report of the National Advisory Commission on Civil Disorders. Otto Kerner, Chairman. U.S. Government Printing Office, Washington, D. C., 1968.

It is not the central purpose of NCDH's study merely to add weight to what others have already found about the dire prospects of the nation's metropolitan regions. This study is needed to identify and describe the forces which interrelate to distribute population in accordance with income and race, and to distribute employment in accordance with industrial growth patterns. However, in tracing out these region-shaping forces, the results perceived generally by the Kerner, Eisenhower, Kaiser and Douglas studies emerge in vivid detail: black cities and white suburbs; unemployment at the core, and labor shortages on the periphery; overcrowding in the old cities, and acreage lot sizes in the growth areas -- all bear witness to the unworkability of the present metropolitan arrangement.

No one willed this overall result. It is traceable to many separate factors that interact to give us economic, social and spatial patterns no one foresaw. This suggests that unseeing forces must give way in critical areas to seeing forces; that the blind forces of the market place, including the competition between local governments for fiscal advantage, must give way to overall, deliberately-chosen objectives.

What will bring about this transition from an unworkable to a workable arrangement of homes and jobs for all classes and ethnic groups of the population? Are there counter-trends at work that will mitigate the present course toward "two societies, one black, one white -- separate and unequal"? Or must present trends unfold to the full logic (really, illogic) of their development before significant counter-forces can become effective.

Our study thus far has failed to reveal counter-forces presently in motion capable of blunting the impact of current trends before they run to

their extremes.\* It seems, therefore, that suburban economic growth must first be arrested by a labor shortage, before local governments affected consent to housing for lower-income groups, including minorities; that concentration of the poor in older cities will grow until the financial strain makes such cities wards of the state, before legislatures vote to open suburban sites for housing low- and moderate-income families; that angry ghetto dwellers will be provoked to the point that disorders bring the cities' transportation and commerce to a standstill, before effective measures are inaugurated to give blacks and Puerto Ricans access to suburban job and housing opportunities.

The real significance of the observation that the Region is becoming increasingly unworkable is that the condition is not susceptible to reform by small adjustments or "gimmick" solutions (such as special buses from ghetto to suburban job center), but rather calls for changes in the distribution of housing by type and cost in relation to employment opportunities that are so basic as to replace present metropolitan arrangements with new urban forms and functions. This would truly involve, as Anthony Downs observed recently, a traumatic experience for many suburban residents.

"Separation by income and race" takes on new meaning in the regional setting. It is useful to make the observation that separation by income and race assumes a special significance on the scale of a Region of over 20 million persons and some 13,000 square miles. This population magnitude equals that of the Dominion of Canada, and the land area exceeds that of several countries represented in the United Nations. At this scale, quan-

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\* NCDH is conducting a HUD-financed demonstration project in the San Francisco Region designed to identify and bring together counterforces capable of arresting current trends toward confinement of racial minorities within old city ghettos and their exclusion from employment and housing opportunities in suburban growth areas.

titative factors introduce qualitative changes in the nature of the phenomenon of racial separation.

Under chattel slavery in the South, the races were never separated by more than a few steps. Under the de jure segregation instituted in the post-Reconstruction South, the races continued to live in close proximity. In the urban North, however, the residential patterns of blacks assumed a ghetto character at an early stage. Nonetheless, the size of even the largest cities, together with relatively inexpensive and convenient public transportation, permitted Negroes to have reasonable access to most parts of the city. Today, however, within metropolitan regions, especially the large ones, "separation by race" means massive ghettos of hundreds of thousands of blacks living one-hour to two-hours travel time from massive concentrations of hundreds of thousands of whites in suburban areas. Harlem is so remote from Scarsdale, Short Hills or Oyster Bay in terms of person-to-person contact in any field of human endeavor, that it could not be more removed if it were on another continent. In either case, the white and black populations would know of each other's communities only through the news media, mainly television.

The familiar pattern of separation by race on the scale of buildings, blocks or neighborhoods is a concern of this study, but its primary focus is the phenomenon of racial separation at the scale of the metropolitan region. It is this that produces home-job relations such as prevail at the Ford Motor Company plant in Mahwah (N.J.), with about 2,000 black employees drawn by relatively high wages from the Region's ghettos located from 20 miles to 40 miles distant. Or the situation in nearby Paramus, where few black faces appear among the thousands of clerks employed in the enormous retail concentration formed by two major regional shopping centers

and several separately-located department stores because most of the surrounding communities are "lily-white" and retail wages are insufficient to attract blacks from distant ghettos.

(The suburban mini-ghetto is being studied as a separate phenomenon and, hopefully, a monograph will be published on this subject.)

The ultimate in separation by race at the regional scale will be the emergence of black cities (and a few black suburbs) ringed by a solidly white suburban belt. This will also be the ultimate in the unworkability of the type of metropolitan region being created.

The "filtering down" of housing is no solution in a racially-separated region. Until the advent of public housing in the 1930's, urban lower-income families rarely occupied new housing. Even newly-constructed tenements rented to the better-paid workmen. Most low- and moderate-cost housing "filtered down" as upward mobility carried families to improved housing in better neighborhoods. The "filtering-down" process must, of necessity, supply the bulk of the housing needed by low- and moderate-income families since the cost of constructing new housing for every family in this large segment of the population is neither necessary nor feasible.

"Filtered-down" housing served successive generations of European immigrants as stepping stones as their earnings and living standards improved. However, "filtered-down" housing is meaningless to the black household if such housing is in a central city and the job sought by the household's breadwinner is in the suburbs.

Will the construction of an adequate supply of housing at all price



levels and the consequent loosening of the housing market make a significant volume of "filtered-down" housing in suburbs available to minority families in search of better paying suburban jobs? It is not clear at this time whether the study can provide a detailed answer to this question. Present observations indicate that the answer will vary considerably in the various parts of the Region. It will be affected by (a) relationship between price of houses and wage levels in suburban industries; (b) the volume and rental levels of suburban apartment construction; (c) proximity of house to major suburban employment center; and (d) lessening of discrimination by brokers, sellers and landlords.

There is reason to believe, however, that the availability of "filtered-down" housing for minorities in suburban locations that are convenient to employment concentrations will likely be the unusual coincidence rather than the usual case. This observation relates to present commuter bands as determined by rail or bus travel time to Manhattan (or, in New Jersey, to Newark). It is not likely that resumption of homebuilding in peripheral areas will induce many commuters to add to their travel time by buying a home farther out.

Nassau residents who commute to New York City are a case in point. Unless the Long Island Railroad cuts down travel time appreciably, it is unlikely that many Nassau commuters will move willingly to Suffolk County. Meanwhile, the need for manufacturing, retailing, service and government employees in Suffolk continues to increase. Not much housing will "filter down" in that rapidly developing county. Negro and Puerto Rican in-migrants would require an available supply of new housing if they are to locate near new jobs.

It would appear, then, that a far higher proportion of Negroes and Puerto Ricans accepting suburban employment will, of necessity, have to occupy new housing than was the case with upward-mobile immigrant households who relied almost entirely on "filter-down" housing in city neighborhoods. The cost of new housing is always greater than existing housing, especially so now. The added cost of providing new houses in appropriate suburban locations for lower-income groups is a social cost which society should assume as part of the price of undoing past years of neglect of, and discrimination against, blacks and Puerto Ricans. Unless such housing is made available in the suburbs, whole cities will "filter down" to blacks and Puerto Ricans, as is happening in Newark and some smaller communities.

Most jobs are population-based. Economists have long used a rule-of-thumb estimate that for every national market-based job, two jobs are necessary to serve the local population. In view of the rise of affluence and the growing per capita consumption of goods and services, some economists estimate that 75% of all jobs now relate to serving the consumer (grocery clerks, dentists, firemen, service station attendants, teachers, laundry workers, etc.). It was noted earlier that manufacturing employment will show only a modest increase in the suburbs, but that retailing, wholesaling, services, finance, utilities, communications and government (health, education, public safety, recreation, etc.) are showing the greatest employment gains.

Ours is becoming a "service economy." Those engaged in goods production represent a shrinking proportion of the labor force. The preponderance of the new jobs being created in the suburbs results from population growth. It should be observed that this has several implications for the subject matter of this study.

The first implication is that if non-manufacturing job opportunities are present throughout the suburbs more or less in proportion to population, the availability of minority workers to take advantage of these jobs will depend upon such workers living in the suburbs and distributed more or less in proportion to population. The finding that most employees of retailing establishments live near their places of work apparently holds true for most population-based jobs. Because population growth takes place in the suburbs, it is there that employment opportunities exist and will continue to expand. Without being able to live in the suburbs, minority representation in population-based employment must, of necessity, be minimal, as it is shown to be by data presented previously on retail employment for counties such as Nassau.

A second implication is that the universal complaint of suburban employers about labor shortages reflects the abnormality of labor force distribution due to separation by income and race. In the initial phase of suburbanization, a residual local labor force is available from the area's rural past (e.g. Franklin Lakes). This reserve is absorbed as the increase of a higher income population stimulates growth of retail, service, government and other population-based employment. Most new suburban residents come to live in the community, not to work locally. Employers' first efforts are to fill local jobs by attracting help from nearby, older communities, often old commercial centers in decline from Main Street obsolescence and competition from new shopping centers. But this supply is limited in size and by distance. Employers' efforts then turn to the secondary labor market of the suburban population, mainly housewives and teenagers. Work schedules, store hours and other factors are manipulated to suit the availability of such employees, as noted in the appended report on the wholesale/retail industries.

It can be observed from the above implications of suburban job market conditions that higher-income groups require the presence of lower-income groups to meet the trade and service needs of the higher-income population. This elementary fact of economic life has evidently been ignored or defied by many whose decisions were instrumental in creating the unworkable metropolitan format. Among these, the real estate industry occupies a prominent role. It has been traditional with the real estate industry to extol as the residential ideal the one-class, one-race neighborhood. Real estate ads have always featured snob appeal and abound with words like "exclusive," and its salesmen frequently assure the buyer that the house for sale has the "advantage" of enabling the customer "to live among your kind."

Suburban municipal officials, especially planning boards, use local land control authority to make the realtors' dream come true. Vast areas of New York's suburbs are now one-class, one-race (often one-religion) in residential composition.

Westchester (with the exception of its lower tier of old cities) has probably realized this "ideal" more completely than any other suburban area. It is so solidly upper-middle-class and upper-class that the shortage of help for population-based trade, service and local government jobs has reached serious proportions. Westchester banks, newspapers and utilities, normally promoters of economic expansion, are confronted with increasing difficulties in selling Westchester as a location for office and research operations in view of the unprecedented labor shortage.

Suburban communities that benefit financially from exclusionary controls do so at the expense of their neighbors and the Region as a whole.

From the point of view of suburban municipalities in a position to manipulate use of their undeveloped land areas, the exclusion of families with incomes lower than the local average is to their fiscal advantage. They stand to gain financially by this practice in the same manner as do landlords who exclude families with children. In many states, however, landlords can no longer discriminate against such families because laws prohibit it. Communities which discriminate against lower-income families through zoning and other local controls still do so with legal sanction.

The observation that it is to the fiscal advantage of municipalities to exclude the poor has significance in an effort to evaluate likely trends in local land use and building controls. If the exclusion of lower-income families is not in the fiscal interest of certain suburban communities, it can be assumed that they will, in time, become aware of this and revise their policies and practices accordingly. Arguments from some sources seek to convince such communities of the error of their ways. Thus far, the record, as previously cited, shows that suburban communities are turning a deaf ear to such entreaties. Large-lot zoning is on the increase. The study will investigate other forces that might possibly result in revision of present exclusionary practices.

One such force is the possible conflict of interest between local homeowners and local entrepreneurial groups. Exclusionary policies are designed to achieve low tax rates, among other purposes. Local economic interests, however, are more concerned with increasing the number of customers to whom they can appeal for business. Banks, newspapers, utilities and local Chambers of Commerce traditionally are inclined toward policies that favor population growth.

Another force is judicial intervention to protect minority rights or

legislative revision of enabling laws in response to a statewide majority that sides with those who are excluded and against those who exclude.

Housing in the New York Metropolitan Region is being "Europeanized."

Housing patterns in the New York Metropolitan Region have been unique in comparison to American cities generally, including most of the large ones. Population pressures on land areas and the resultant high land costs gave New York City, exclusive of Staten Island, extremely high densities. The tenement house, the apartment house, and the row or attached house were home to most New Yorkers.

The same factors of population pressure and land costs became operative in New York's suburbs as long ago as the 1920's, with the same resulting tendency toward multi-family construction, though in lesser degree. Suburban apartments found tenants more easily in the New York Region because of a wide-spread familiarity with apartment living. After World War II, the construction of suburban apartments flourished for a few years in the Region until suburban zoning began to curb it.

During the 1950's, single-family homebuilding was in its heyday in New York's suburban areas, with increasing numbers of local governments resorting to large-lot zoning and exclusion of apartment construction as a device to slow down population growth, reducing pressures on schools and other local costs. Large-lot zoning accelerated the absorption of available vacant land in a land-short, highly-populated metropolitan region.

During the 1960's, land costs skyrocketed in the Region and, together with increased demand for small units triggered by demographic change, stimulated a new interest in multi-family construction in the suburbs. As the cost of mortgage money rose, increasing numbers of families were priced

out of the single-family house market and added to the rental market.

High land costs and high money costs have been typical conditions of the urban housing scene in Europe for over a century. As a consequence, multi-family or attached housing has been the prevailing type in European cities. Recent trends in land and money costs are giving the American housing market a strong European cast, as noted in Section II, especially in the New York Region, with its historic conditioning for this type of living.

However, the trend toward "Europeanization" and most suburban zoning are on a collision course. The former expresses the needs of a growing population in search of living space; the latter expresses the resolve of those already on the scene in suburban areas that living space will not be granted at what they believe to be their expense, either in terms of tax rates or low-density environment.

A new factor now enters the debate. The nation is awakening belatedly to the threat of environmental deterioration, largely because of the wanton location and operation of industrial processes and the unplanned spread of urbanization without regard for land, water or air. Low-density suburbanites see this national concern with the environment as an argument for large-lot zoning and the exclusion of additional people from the suburbs. It is an observation of this study, however, that research might well establish that the "Europeanization" of housing, by clustering and concentrating population, contributes to the conservation of land. Since the economy of scale at high densities permits economical treatment of sewage, solid waste incineration and smoke control, it lends force to the argument for high densities as a conservation aid. Construction on one- or two-acre lots,

on the other hand, usually results in a waste of land, and in sewage and solid waste disposal problems.

Essentially, the problem of urban growth and environmental quality is a challenge to America's design professions: urban planners, architects, landscape architects and engineers. Beyond these professions, it is a challenge to American industrial ingenuity to invent such devices as the design professions see needed. But the solution will be found in housing that is increasingly subject to the limitations previously identified only with Western Europe.

What will it take to give Negroes and Puerto Ricans access to suburban jobs and housing on an equal basis? NCDH studies of both the New York and the San Francisco Regions in the past year have helped give the search for an answer to this question a proper sense of proportion in relation to the magnitude of the challenge.

It is increasingly clear that the movement of minority households to non-ghetto areas in sufficient number to halt expansion of the ghetto and provide free choice of residence to all minority families, will require massive efforts involving government at all levels and private corporations. A first-stage goal might well be to provide non-ghetto housing for a sufficient number of minority families to offset expansion of the urban ghetto's population. It has been estimated that this would require housing in non-ghetto areas for some 700,000 non-whites (about 200,000 households) annually on a national level. As noted in Section II, Harlem's population has declined as Negroes and Puerto Ricans have moved to other parts of the city. There is evidence that the outward movement has been largely to other ghettos.



Previous studies and opinion polls support the view that blacks and other minorities do not willingly choose to live in ghettos. It is assumed that there would be a large-scale response to new employment and housing opportunities in non-ghetto areas, especially if the massive effort to provide these opportunities included affirmative action to bring them to the attention of minorities and to facilitate their relocation.

It is not beyond the resources of the nation to make such a massive effort. Compared to the miracle of production in World War II, also involving manpower training and placement and housing construction, the provision of jobs and housing for 200,000 non-white households is not a fiscal or resource problem in an expanding economy that aims to build 2.6 million dwelling units per year.

It will require stronger open housing laws and more efficient enforcement; but this will not suffice by itself. It will require a supply of housing at costs scaled to the earnings of minority workers in nearby industries throughout the Region; but even this will not suffice. It will require fair employment practices and training programs geared to tap the full potential of the minority labor force as if the security of America depended upon it; but this by itself will not suffice.

It will take a national commitment to do it comparable to World War II's commitment to victory; in the words of William James, "the moral equivalent of war."

HUD Secretary George Romney makes it clear that the nation has no choice but to make such a commitment:

"In my judgment, the greatest threat to America is not from without, but from within. This Nation will not be destroyed

except by our own internal weaknesses. If America goes down, it will not be from an external threat, but from our own failure to meet our unsolved problems effectively and in time.

"I believe the greatest threat to the future of this Nation -- physically, socially and politically -- is the confrontation in our States and cities, between the poor and the minority groups who are concentrated in great numbers in the central core of our cities, and the middle income and affluent families who live in the surrounding and separate communities.

"This confrontation is divisive. It is explosive. It must be resolved."

It remains for the balance of this study to identify and describe the suburban developmental pattern of the study-area counties in sufficient detail to provide a sound basis for the design of new suburban home/work relationships for the minority labor force and their households. This can provide the starting point for changes in economic, social and locational trends in the New York Region toward a more rational and workable metropolitan arrangement, and possibly provide a model for metropolitan regions over the nation.

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The Study's Objectives and Methodology

A major objective of the project is to formulate policy recommendations for government at all levels, as well as for private enterprise. Policy formation will be facilitated by the creation of a number of representative advisory panels composed of involved and knowledgeable individuals.

In addition to the formulation of policy instruments which can expand suburban housing and employment opportunities for Negroes and Puerto Ricans, the research will provide a factual data and information base upon which intelligent policy decisions affecting such opportunities may be determined by responsible public and private interest.

The study is divided into three parts:

- 1) An examination of present and future jobs and labor force by types and location in the Region, to identify:
  - a) where there are job opportunities for skilled, semi-skilled and low-skilled workers;
  - b) gaps between skills needed and skills available in the Region's economy now and in the future; and
  - c) transportation accessibility to job opportunities for the minority labor force.
- 2) A study of the obstacles to suburban housing that minority families with low- and moderate-incomes can afford, including the misuse of zoning and building codes, the exclusion of publicly-assisted housing, and discriminatory real estate practices.
- 3) A survey of selected counties of the Region to identify places where large centers of jobs, housing and urban facilities can be planned and developed.

### The Economic Component

The evidence compiled during an exploratory study (summer 1968) revealed that employment opportunities are expanding relatively rapidly in the Region's suburban counties, that the availability of housing for blacks and Puerto Ricans who might hold such jobs is extremely limited in these same counties, and that, therefore, access to job opportunities is severely impeded. The task of the continuing study is to analyze this in a systematic, quantifiable manner for specific places, so that specific (rather than general) policy actions can be recommended.

By quantifying the relationship of jobs and labor force by occupation and commutersheds within the Region, this study will be able to:

- a) Warn entrepreneurs against location of enterprises for which appropriate labor force will not be readily available -- not simply to avoid the inefficiency of a poor location, but with the ultimate purpose of educating the community seeking tax benefits from an enterprise, and the entrepreneur seeking the best location, that they should cooperate in assuring that housing is made available to needed workers.
- b) Advise public agencies proposing to build or to facilitate private building of housing for families of potential employees where to put housing in relation to appropriate jobs, how many jobs there will be in excess of available labor force in various parts of the Region, and about how much the jobs will pay (to suggest how much the families will be able to pay for housing).
- c) Point out deficiencies in labor market information available to the unemployed and underemployed in the Region.

- d) Identify the occupations which will be in demand in suburban areas as a guide to Negro and Puerto Rican job seekers qualified to work at them, and as a guide to those seeking training for work with a high employment potential.
- e) Propose transportation improvements that might bring unemployed and underemployed together with available jobs pending a better geographical relationship between jobs and housing. (The preliminary study found that transportation policies can have only a limited effect with respect to matching job vacancies and employees.)

Statistical computation and analysis is being verified by in-depth studies of the several major economic (employment) complexes in the suburban counties. These in-depth studies consist of survey research by interviews and the utilization of a wide array of fragmentary data. All of this will expose a great deal about the specifics of employment expansion in the suburban areas, assuming that present and recent trends continue.

But this may understate the employment opportunities. One of the hypotheses, tested in this study, is that a reservoir of job opportunities is hidden as a result of present housing patterns; i.e., jobs that would be filled, some not even existing now, if there were people at hand to fill them. An effort is underway to ascertain the extent to which this is true.

The study is giving considerable attention to non-manufacturing job opportunities, especially trade and office activities. The importance of this type of employment is accentuated by indications that manufacturing production (blue-collar) jobs have not increased in the New York Metro-

politan Region's suburban counties as a whole, while non-manufacturing jobs such as wholesale and retail trade, construction, finance, insurance, real estate, government, and personal and trade services have been increasing rapidly. This is roughly the trend in the nation as a whole.

A number of different types of economic complexes, with differing manpower requirement and housing policy implications, are in process of classification and examination, selected from the large variety found in the Region's suburban counties. For example, some areas are dominated by capital-intensive industries with limited labor requirements, but affording relatively well-paid jobs, often with high skill requirements. Others are dominated by more labor-intensive activities, with different skill requirements -- for instance, areas in which exceptionally rapid increases in service employment are projected. Another variable with housing policy implications is whether employment opportunities within the area are clustered or dispersed, which affects the transportation possibilities and the feasible housing locations. By examining different types of complexes with distinctive characteristics, the possibility of generalizing the results to other parts of the Region will be enhanced; in other suburban areas with similar economic characteristics to those studied, the housing policy implications may be similar.

#### The Housing Component

It is clear that blacks and Puerto Ricans have not been suburbanizing as fast as whites and it is known that the reasons for this are (a) the general inadequacy of the supply of low- and moderate-priced housing in suburban communities, and (b) covert discrimination, and often overt hostility, practiced against minorities and/or the assumption by minorities that this will be the case in certain suburban communities.

There is ample evidence that the supply of, and access to, low- and moderate-income housing in the suburbs is deliberately restricted by zoning and real estate practices. The research project is compiling information on the operative mechanisms of these forces. The study is examining the following hypotheses:

- a) zoning ordinances and building codes keep the cost of privately-financed suburban housing significantly above what could be built in the same areas with different regulations; and
- b) real estate practices serve to prevent Negroes from buying or renting suburban housing at any price.

In addition to examining the effect of zoning and planning on the supply, quality, and location of low- and moderate-income housing, researchers are also examining zoning as an industry locational mechanism, and the extent to which industry zones for itself.

The importance of this question is obvious, for if industry does, because of the economics of development and potential tax benefits, retain and actually use such influence, the housing needs of its potential workers conceivably could be satisfied by the same means. This would imply that some policies intended to expand low-income housing supply within certain areas could be evolved for and directed toward industrial leadership.

Studies are underway of the impact of zoning and building code requirements upon the cost of housing. Data are also being compiled on the costs of land, mortgage, property taxes, construction, site improvements

and infrastructure (streets, curbs, storm drains, etc.). Federal and state housing programs are being evaluated in relation to suburban conditions.

The statistical analyses are being complemented by field studies designed to identify and describe the process by which local values are established and decisions made affecting community development, especially as it affects the cost and type of housing. Information is being gathered from both published sources, (official records, local newspapers, etc.) and interviews with spokesmen for various segments of the community. This information is the basis of a community analysis report. The study's work schedule calls for analyses of some 35 localities, selected to include a variety of types of suburban communities. An effort will be made to identify values and decision-making processes common to all suburbs studied as well as to note deviations from the norm and determine the causes.

The extent to which the real estate industry contributes to or directly affects the non-availability of housing for minority groups is under study. Research and analysis seeks to define the nature of the industry, its value system and methods of operation, and to measure its influence upon the local availability of low- and moderate-income housing for blacks and Puerto Ricans. The study seeks to uncover, especially, those techniques for discrimination developed since passage of open housing laws and designed to evade their intent and purpose. Representative real estate firms within each study area, as well as government agencies relating to real estate transactions (e.g. Veterans Administration), are being interviewed as to their practices affecting suburban housing for minorities. Information will also be sought from state civil rights divisions, local human relations commissions, state boards for real estate licensing, fair housing groups, civil rights organizations, and minority community spokesmen.



### Survey of Available Land

A major intent of the study is to facilitate construction of new low-moderate-income housing in reasonable proximity to suburban jobs and other community facilities. A survey of available land which could provide a variety of potential housing sites meeting this criteria could be immediately translated into policy action by agencies charged with expanding housing opportunities for low- and moderate-income groups. Such a survey presupposes inputs from the housing study as well as the economic component, a correlation of which could reasonably dictate the most advantageous potential sites. The study will take into account data developed in the course of the economic study indicating job location, and of the housing study, identifying the reforms of land use and construction controls, government-aided housing programs and open housing law enforcement.

Recommendations of available land would, of necessity, evaluate trends of housing types (single-family, town houses, low-rise apartment structures, etc.) and forms of occupancy (ownership, rental, condominium, co-operative, etc.), as well as community design (cluster development, new towns, etc.).

Appendix No. 2

MEMORANDUM

December 22, 1969

To: Ernest Erber, Director of Research, National Committee Against  
Discrimination in Housing, Inc.

From: Regina Armstrong, Senior Economist, Regional Plan Association

Re: Year End Report of Progress on NCDH Study

The following summary of work is discussed with respect to the format of the supplemental methodology and represents all research which is expected to be completed as of December 31, 1969. Work remaining under topic headings is briefly described and the amount of outstanding time assigned for its completion is estimated. Twenty man months have been allocated for completion of the research and analysis, under the expected staffing of three full-time and two half-time people. This does not include the time associated with the research and advisory efforts of Harold Pollard, Research Associate/Manpower, of NCDH, whom we expect to work more closely with in the near future. Nor does it include the three-month period allotted for preparation of the final report.

Data which have been prepared for distribution in a multilithed form are noted in the discussion and copies are attached to this report. Other data which will become similarly available by year end is also indicated.

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## II. The Employment Component

### 1. Time Series of Employment by Industry and Occupation, 1959-1967.

Major industry employment and 2-digit manufacturing employment by county for the 7-county Study Area, New York City, and the 31-county Region have been completed for the years 1959, 1963, and 1967. This array of industry employment will be converted to major occupational groups for the separate counties, city and Region over the 1959-1967 period. (Available 3/15/70; Time Series of Industry and Occupation Change for the Study Area, 1959-1967)

### 2. Projections of Employment by Industry and Occupation, 1967-1985.

Projections of 2-digit manufacturing employment have been revised by county for the 31-county Region based upon our recent updatings of manufacturing employment growth combined with earlier known shifts in manufacturing location (1953-1967 time series), and the reportings of mover firm activity within the Region over the decade by detailed industry characteristics. (Available 12/31/69; 2-Digit Manufacturing Projections for the Region, 1959-1985)

Projections of non-manufacturing major industry groups by county for the 7-county Study Area, New York City, and the 31-county Region have been completed. The methodological basis for projection has been a standard impact employment technique used by National Planning Association in assigning "service" employment to sub-areas of a Region after the "basic" (i.e., manufacturing and extractive) industries have been projected. (Available 2/28/70; Major Industry and 2-Digit Manufacturing Projections for the Study Area, 1959-1985)

Conversion of industry projections to major occupational detail are being completed by county for the 7-county Study Area, New York City, and the 31-county Region, based upon the national industry/occupation matrix developed by the Bureau of Labor Statistics. The matrix coefficients to 1975 were extrapolated to 1985 from "i/o" trends constructed for the Region from NPA data. Some local area adjustment of the coefficient series was made at the county level based upon Tri-State Transportation Commission's cross tabulation of 1963 major industry by major occupation. (Available 3/31/70; Major Occupational Projections by Major Industry and 2-Digit Manufacturing for the Study Area, 1959-1985)

### 3. Current Small Area Distribution of Employment.

Because of unforeseen delays in the Port Authority's computer mapping program, an early substitution in small area employment data had to be made. Maps of the square mile distribution of manufacturing, transportation including warehousing, commercial, and office floor space were constructed from TSTC's land use inventory. Though not a comparable substitution, the floor space maps proved to be the most satisfactory in terms of areal coverage and the "hardness" of data. Other maps depicting the percentage of vacant and passive land area by square mile were drawn to supplement the regional distribution profile.

There still remains some hope of extracting from the Port Authority computer maps of selected industries at a future date. If available, they will be used in an illustrative role in the final report. There has also been made a tentative agreement to obtain from their confidential

state employment files a current count of jobs in the selected concentrations expressed in terms of occupational composition, so as to avoid disclosure problems. If available, these counts will also be incorporated in the written analysis.

#### 4. Selection of Employment Complexes.

Maps of mover firm activity to small area locations in the Study Area have been completed based upon various state and utility reportings for the 1960-1968 period. Initial mapping was done on the basis of selected industry groupings which were designed to reveal locations of technology-oriented, labor intensive, lower-skilled, and space extensive activities. The results of this approach did not produce concentrations of significant pattern or size which would be useful to the selection process. All mover firm groupings were then combined to produce a single map of total industrial growth by small area location.

The map of mover firm activity was overlayed with the various maps of industrial floor space (connoting existing employment concentrations, 1963), vacant and passive land area, the existing transportation network, and the existing location of minority population in the region (1968). On the basis of weaknesses apparent in the accessibility relationship between the residential location of blacks and Puerto Ricans, the recent growth nodes in suburban industrial jobs, the existing concentrations of industrial and commercial employment opportunities, and the anticipated location of future commercial/office centers, employment complexes were selected for detailed analysis. Consideration was also given to the location of vacant land adjacent to known and growing employment concentrations and the modes of transportation which service these clusters of

activity, in order that the selection process produce concentrations with future employment and housing opportunity and that these be characterized by a varied means of accessibility.

The complexes selected also included several that differed strikingly with regard to land use configuration (dispersed versus concentrated) so that the results of the analysis may have applicability to other urban settings. For example, Newark South and Mount Vernon were chosen because they represent recent industrial growth nodes encompassed within the framework of older central cities which already have a substantial minority population. (Among the fourteen concentrations chosen, these two were unique in this regard; all other suburban complexes are grossly under-represented in near access to blacks and Puerto Ricans.) A dispersed land use configuration is the characteristic physical form of the other clusters, except those in which the predominant activity (Paramus commercial) has strong spatial linkages. It should be noted that the clusters chosen do not represent, in toto, the group of largest and most rapidly growing suburban employment complexes. Instead, the rationale of selection was more akin to sampling the mix of suburban complexes and achieving a balance of those which differed with regard to activity, transportation services, relative accessibility to minority groups and growth potential. (Attached; Data Sheets, summarizing various population, employment, land use, and related tabulations for the fourteen concentrations; 1968 Population of Municipalities in the Study Area, by Racial/Ethnic Group)

#### 5. Firm Survey.

Based upon the preliminary survey work of David Gayer, an industrial questionnaire was formulated for use in personal interviewing of an agreed

sample of 400 manufacturing and non-manufacturing establishments, 300 of which are to be surveyed in the concentrations and 100 in two Study Area counties outside the concentrations. The universe of firms in the fifteen complexes (3,100 firms) was constructed from the establishment reportings of the following sources: Dun and Bradstreet, Million Dollar Directory and Middle Market Directory, the three state Industrial Directories, and the file of mover firms. The mix of industrial codes (SIC's) in the individual concentrations was taken as the control for selecting firms within the complexes. The size of the concentration sample within the universe controlled the share of firms each concentration contributed to the 400 grouping. The mix of establishments in the counties outside the concentrations, as taken from County Business Pattern establishment reportings (county establishments minus concentration establishments), was weighed to produce the desired over-all split between manufacturing and non-manufacturing firms. Individual firms were then selected using a table of random numbers, given the industry and area controls, the universe of firms in the concentrations, and the desired industry characteristics of non-concentration establishments (later converted to specific firm names through use of the same establishment sources). (Available 1/31/70; Firm Sample, giving chief executive, firm name, address, employment when known, and industry code for 400 establishments)

6. Job Opportunities in Concentrations; Housing and Transportation Expenditures of Potentially Employable.

This step represents an output of the analysis of the firm survey and is expected to be undertaken at the conclusion of the survey by June 1970. Together with step 9, the required time is estimated at 4 man-months.

7. Labor Market Areas of the Concentrations: the Geographic Limits on the Residential Locations of Low to Moderate Income Housing.

Given the existing transportation network and the composite mode door-to-door travel times on RPA's spider network, labor market areas were drawn around the concentrations on a 30-minute travel time basis. It was felt that this relatively short, journey-to-work limit on feasible residential locations for low-to-moderate income workers would not prove to be an economic burden in terms of transportation costs when the wage structures of low-to-moderate employment opportunities in the concentration survey are analyzed. Given this data, some further elaboration on residential limits may be undertaken. It would require no more than 1 man-month, however. (Available 12/31/69; Data Sheets, summarizing various population, labor force, land use, housing, and income characteristics of the labor market areas for the fifteen concentrations)

8. Transportation Solutions to the Problem.

Research on feasible short-term improvements in transportation services to the concentrations has not been undertaken by the RPA staff, as yet. Pollard has investigated one component of this step--namely, subsidized bus transportation. Boris Pushkarev, RPA Vice President for Research and Planning, has been alerted to the remaining portion of this work, which probably will not require more than 2 man-months of time.

9. The Potential for Manpower Training Programs.

This work will be done in conjunction with step 6, upon completion of the firm survey. We also expect to have additional items of information on hand, at that time: namely, a previous month's reportings of the characteristics of insured unemployment beneficiaries from the various



states' Department of Labor, and the results of a recent EEOC Survey of Economic Opportunity which provides data on race, age, education, and training experience for a sample of 200,000 adults in the suburban portion of the New York Region.

Pollard will participate in the analysis and recommendations of this step. It is also our understanding, based upon recent discussions, that Pollard will undertake the review of the actual performance of formal manpower training programs now in operation. This must be done at some time prior to the completion of the firm survey as the operation of present programs needs to be compared to the potential for manpower programs and the on-the-job training provisions of surveyed employers.

10. The Minority Labor Supply and Household Characteristics of the Future.

The non-white and Puerto Rican population and labor force have been separately projected for the 7 counties of the Study Area and New York City, by five-year interval to 1985. The remaining pieces of work in this step are as follows: conversion of minority population to numbers of households by age of head, size of household and income; conversion of minority labor force to occupations and wages (which link with household income). The estimated time for remaining work is 6 man-months. (Attached; Population and Labor Force for the 7-county Study Area. Available 12/31/69; New York City Population and Labor Force) Labor Force projections by major occupational skill will be available 3/31/70.

11. Selection of Employment Complexes with Future Development Potential.

Several of the employment concentrations selected represent areas of future development with an employment base sufficient for present analysis

and survey. Other complexes will be isolated through the work described under step 12. The time necessary in this effort is also contained under step 12.

12. Projected Distributions of Employment Locations and Associated Housing Demand.

Preparatory work on amassing present developed land and zoning ordinances in the 7-county Study Area has been underway for several months. It is expected to be completed in March. The distributions of future employment locations will proceed at that time and require an estimated 3 man-months. The process of matching future minority labor supply with the projected distributions of employment, and assigning an income level of housing demand based upon the projected wages will require an additional 2 man-months.

13. Recommendations on Future Manpower Training Programs.

Upon completion of the projected distributions and supply/demand analysis, it is anticipated that Pollard will again participate with the RPA staff in formulating recommendations on future manpower training programs. This effort will require a nominal amount of time.

Appendix No. 3

A Study of Employment Opportunities for Negroes and  
Puerto Ricans in the Retail and Wholesale Industries in  
Suburban Areas of the New York Metropolitan Region

(Prepared as part of the Employment and Housing Opportunities project by NCDH Research Associates Ellen F. Brindle and Harold G. Pollard)

I. The Significance of Retail/Wholesale Employment  
in the New York Metropolitan Region

About one of every five jobs in the New York Metropolitan Region is in the wholesale and retail industries. Data for 1965 show that wholesaling accounted for 7% of all jobs in the Region and retailing for 14.7%.<sup>\*</sup> Together, these businesses employed approximately 14 million workers in the United States in 1966 (10 million in retail, and 3.5 million in wholesale), second only to manufacturing employment (with 19 million employees) and slightly ahead of government employment (13 million).<sup>\*\*</sup>

Employment in these industries has expanded consistently in response to the growing population they serve. Between 1959 and 1965, employment in the wholesale trades in the Region increased by approximately 32,300 jobs, and employment in the retail trade by approximately 100,000 jobs.

<sup>\*</sup> Regional Plan Association, The Region's Growth, May 1967.

<sup>\*\*</sup> Occupational Outlook Handbook, 1968-69 Edition. United States Department of Labor, Bureau of Labor Statistics, Bulletin 1550, p. 15.

This growth of 132,900 jobs is in contrast to the much smaller number of 15,700 jobs gained by the manufacturing industry in the Region during the same years.

The growth in wholesale and retail employment occurred overwhelmingly in the Region's suburban areas. Some 94,700 jobs of those added to the retail sector were in suburban areas, and only 5,900 in the Region's core.\* All of the new jobs in the wholesale sector were in the suburbs.

The retail and wholesale trades have special characteristics which relate to the particular needs of the minority labor force. These characteristics are summarized below, and serve as a focus for the study.

#### Distribution in the Region

Both the retail and wholesale industries are in the process of distributing throughout the suburban areas of the Region. Wholesale employment, particularly in the warehousing field, has moved from the inner cities to centralized suburban locations, primarily to take advantage of open land and to ease large trucking operations.

Retail employment, traditionally linked to local labor markets, has grown in the suburbs in proportion to population growth.

#### Occupational Composition

Both the wholesale and retail trades include a wide range of occupational skills, requiring different levels of entry training and education.

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\* City of New York, minus Staten Island, plus Hudson County and Newark, N.J. as delineated by RPA.

Both industries, therefore, offer opportunities for professional and technical workers, clerical and sales personnel, and also for workers with minimal experience or job preparation.

### Wage Structures

Remuneration in the wholesale and retail industries covers an extremely extensive range of wage levels, with most higher-wage jobs in wholesaling and most lower-wage jobs in retailing.

### Operating Characteristics

Wholesale trade, particularly in distribution and warehousing occupations, offers opportunities for full-time, predominantly-male work forces, with additional possibilities for overtime pay. In comparison, retail trade, both in large department and chain store operations, as well as smaller employers, is heavily dependent upon a part-time and short-hour work force. Such labor requirements are often utilized by second wage earners in a household or for additional employment by the primary wage earner. Other employment characteristics in retailing include a relatively high turnover rate which facilitates entry for less experienced members of the work force, and the employment of high percentages of women and youth, both important segments of the minority labor force.

### The Design of the Study

Two basic research methods were employed during the study period: statistical analysis of data sources; and unstructured interviewing of employees in the wholesale and retail industries. The attached bibliography lists primary and secondary sources of data, and is self-explanatory.

Some 14 employers, union officials and researchers were interviewed over a three-month period (September through November, 1969). Establishment sizes ranged from firms employing as few as five persons to a major firm with a work force of over 8,000. Retail establishments studied included grocery stores, department stores, restaurants, hotels, shoe stores, and apparel stores; and in wholesale, oil companies, packaged food distributors, and dry goods and apparel distributors. In addition, two labor union officials, representing workers in the retail trade, were interviewed. An officer in the International Ladies' Garment Workers' Union was also interviewed because of his knowledge of the distributive channels for women's apparel.

A general outline of our major concerns was prepared and converted into a basic questionnaire, designed not as a format to be rigidly followed with each person interviewed, but as a guide to the interviewers to assist them in eliciting basic factual information. The form was not intended to limit the researchers to the primary concerns of the study, but was designed to encourage those interviewed to convey broadly-based information and views on problems within their province. This approach was adopted because of the sometimes sensitive areas of investigation dealing with bias in hiring policies and the impact of the local community's housing. It was important, then, for the interviewers to try to get an accurate sense of the attitudes of employers in coping with their labor problems. (See attached sample of questionnaire.)

The study attempts to identify the major employment, wage and locational trends in the wholesale and retail trades, and to analyze the re-

lationship between these sectors of the job market and the current housing situation in suburban areas of the Region. The objective observations gained during the interviewing process, and the factual data assembled on the composition of the two employment sectors, will be useful in further understanding the whole process of discrimination in housing and employment, both in its overt and more subtle forms.

## II. The Retail and Wholesale Industries: Similarities and Differences

### Functional and Locational Trends

According to the United States Department of Labor: "Retail trade, as defined by the Standard Industrial Classification System, is the selling of merchandise for personal, household or farm consumption. It is the means by which goods and their ultimate consumers are brought together."\*

One characteristic of retail establishments related to this definition of their function is that they locate throughout the country in approximately the same proportion as does the general population. Thus, retail trade, as was mentioned earlier, tends to "follow" population and is the most widely dispersed industry in the United States.

Wholesale trade is composed of five separate operations: 1) merchant wholesalers; 2) manufacturers' sales branches and sales offices;

\* Employee Earnings and Hours in Retail Trade, June, 1966. U.S. Department of Labor, Bureau of Labor Statistics Bulletin 1548, Nov., 1968, p. 2.

3) merchandise agents and brokers; 4) petroleum bulk plants and terminals; and 5) assemblers of farm products. This study concentrates most heavily on the first three wholesale functions, which are predominant factors in the study area. (Some data are available for petroleum bulk plants and terminals as a result of minimal interviewing in this area.)

According to Carl Franzman,\* Director of Research, Port of New York Authority, the three major wholesaling categories are defined as follows.

The merchant wholesaler group: "consists of establishments usually known as wholesalers, distributors, jobbers and foreign trade merchants. They are primarily engaged in buying, taking title to, and physically storing and handling goods produced by others. They sell these goods at wholesale to retailers and industrial and commercial users."

Manufacturers' sales branches and sales offices: "are owned by manufacturing or mining companies, and are maintained apart from manufacturing plants. Their primary function is the selling or marketing of the parent producer's product at wholesale."

Merchandise agents or brokers: "are primarily engaged in selling and buying products owned by others. They negotiate sales but do not, as a rule, take title to merchandise. Sales reported by these dealers represent the \*value of goods in the transactions negotiated."

In wholesaling, the trend in recent years has been toward the absorption of smaller wholesalers by large manufacturing concerns, some with

\* Carl A. Franzman, Wholesale Trade in the New York Metropolitan Region. Port of New York Authority, p. 1-2.



large retailing operations. Some of wholesalers' major functions as a warehousing and distributing industry, therefore, have been absorbed by the manufacturers. The growth of wholesale warehouses in New Jersey (examined later in the study) has counterbalanced this trend in the Region. Unlike retailing, which is dependent upon a local labor force, wholesaling is not population-based in terms of its manpower needs.

During the late 1950's and the decade of the 1960's, both the retail and wholesale trades have experienced significant locational shifts, but for very different reasons. In wholesaling, the period from 1958 to 1963 showed major growth in both the number of establishments and total sales in the Region's suburban counties.

Table 1. Wholesale Trade Establishments & Sales  
in Selected Counties, New York  
and New Jersey, 1958 and 1963.

County	No. of Establishments		Sales (in \$1,000)	
	1958	1963	1958	1963
(New Jersey)				
Essex (inc. Newark)	2,080	2,088	\$ 2,257,084	\$ 2,753,880
Bergen	966	1,396	1,126,548	2,708,335
Middlesex	334	427	417,908	611,198
(New York)				
New York*	21,899	19,868	39,085,244	46,366,264
Nassau	1,339	2,152	1,035,716	1,950,267
Suffolk	489	637	241,431	384,901
Westchester	1,001	1,293	1,045,019	2,218,220

Source: U.S. Bureau of the Census, Census of Business, 1963. Wholesale Trade, New York (BC63-WA 34); and Wholesale Trade, New Jersey (BC63-WA 32), U.S. Government Printing Office, Washington, D. C.

\* Coterminous with Borough of Manhattan.

The substantial increase in sales in Manhattan, despite a decline in number of establishments, was explained by the vice president of a firm with controlling interest in a number of wholesale and retail establishments in the Region as resulting from the decentralization of supply and warehouse centers to suburban counties by wholesale businesses that retained their central office functions in the city. Thus although the job-producing sectors of wholesaling had centered in suburban locations, sales were recorded, in these instances, in the central offices. In this situation, then, a book distributor might have shifted all of his warehousing and other operations to Bergen County (N.J.) but maintained his primary contacts with retailers through a Manhattan central office. Throughout the interviewing phase of the study, wholesalers indicated that this pattern was common. The major reasons cited for relocating the bulk of their operations to suburban areas were the following:

1. To facilitate their trucking operations by avoiding unnecessary travel or congested central-city streets.
2. To allow for expansion of storage space and improve efficiency by operating in one-story buildings.
3. To increase both square footage per worker and the total work force.

In the retail trades, a more complicated pattern of movement is occurring. Shifts in population to the suburban areas have created a

market for more retail stores. The trend within the industry is toward centralization, producing larger, but fewer establishments. When a new department store opens in Nassau County (N.Y.), for instance, there could actually be a decline in the number of competing establishments in the county, as the new store gradually replaces the need for smaller stores of its type. In Manhattan, between 1958 and 1963, there was a total loss of 5,000 retail establishments, but a slight gain in total sales volume. A similar pattern was seen in Essex County (N.J.), reflecting retail changes in Newark. However, the suburban counties of Bergen and Middlesex (N.J.) and Westchester (N.Y.) also showed a loss in total number of retail establishments during this time period, though a much higher increase in the volume of sales. Nassau County in this period showed a slight increase in the total number of establishments and a major increase in sales, while Suffolk County (N.Y.) increased substantially in both number of establishments and sales.

Table 2. Retail Trade Establishments and Sales in Selected Counties, New York and New Jersey, 1958 and 1963.

	<u>Total No. of Establishments</u>		<u>Total Sales (in \$1,000)</u>	
	<u>1958</u>	<u>1963</u>	<u>1958</u>	<u>1963</u>
(N.J.)				
Essex	10,932	9,219	\$ 1,277,865	\$ 1,405,620
Bergen	7,124	6,831	904,653	1,204,259
Middlesex	3,976	3,837	445,896	618,867
(N.Y.)				
N.Y. County	30,643	25,636	4,337,796	4,339,472
Nassau	10,752	10,942	1,726,662	2,353,590
Suffolk	5,622	6,383	704,242	1,148,843
Westchester	8,406	8,035	1,125,026	1,452,526

Source: U.S. Bureau of the Census, Census of Business, 1963. Retail Trade: New York (BC63-RA34). Retail Trade: New Jersey (BC63-RA32). U.S. Government Printing Office, Washington, D.C., 1966.

In further examining the locational patterns of retail trade operations in more recent years, it is important to isolate those sectors which serve as indicators for the entire industry. Department stores are traditionally used as such an indicator, and between 1963 and 1968, department store sales in the entire New York Region, unlike some other sections of the country, have been booming.

According to Brian D. Babo, Regional Studies Section, Port of New York Authority, the two major factors influencing department store sales are population growth and rising income levels. It would appear, in examining the New York Region, that these factors are operating separately in the central-city and suburban areas. Looking at New York City, Mr. Babo states:

"Some statisticians are of the opinion that the city has actually lost population during the Sixties. Regional Studies hold that there have been slight gains. Despite this, New York City's department store gains in sales during 1963-1968 amounted to just under 24 percent. Clearly, this astounding gain stems almost exclusively from rising incomes, a phenomenon which seems to be consistent with the city's substantial increases in volume of employment, as well as in the rising level of employee compensation."\*

In contrast to other central cities, this increase in sales is considered remarkable. In Chicago, department store sales showed a 13% increase between 1963 and 1968 and San Francisco's sales decreased by 6.8% during this time period.

\* Brian D. Babo, Regional Perspectives: Department Store Sales. Regional Studies Section, Central Research and Statistics Division, Planning and Development Dept., Port of New York Authority, April 1969, p. 4.

In interviews with department store executives, growth in sales within the Region was also attributed to the less noticeable but significant restructuring of department stores within the confines of New York City, as well as in the suburbs. In answer to our question about the closing of Stern's department store on 42nd Street in Manhattan, the vice president of one large city store commented that at the same time, Alexander's and Gimbel's had decided to open major stores in growing city neighborhoods (the former in the West 90's and the latter on East 86th Street). According to our interview source, these expansions show both "business acumen" and "a desire to serve the most populous areas of the city," and he expressed his confidence in the success of these new "branch stores." Stern's, on the other hand, located in the center of what is now mainly an office complex, has decided to concentrate its efforts on its newer and larger suburban store at the Bergen Mall in Paramus, N.J.

Newark, unlike New York City, has experienced a decline in department store sales of almost 24% between 1963 and 1968, a fact attributed in the Babo report to "social unrest, with a related decline in out-of-town shoppers, and above-average hard-core unemployment among the City's non-white population."\*

If New York City's increases in sales volume since 1963 have been impressive, the suburban areas of the Region have shown even more astounding sales records. The Port Authority study indicates that the aggregate sales volume of Hudson, Middlesex and Somerset Counties (N.J.) was up 55%, and though Nassau and Westchester Counties experienced more moderate increases

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\* Ibid. p. 7

(28.7% and 28.2%, respectively) they were substantial for these closer counties whose rate of population growth have tended to slow down over the past several years.

In the retail trades, then, employment growth has taken place primarily in suburban areas in direct proportion to population growth and rising income levels. In New York City, there has been a moderate increase in retail employment, accounted for mainly by rising income levels. In wholesaling, growth as an expression of sales has occurred in both central areas and suburban counties, while the major opportunities for employment have been shifting to the suburbs.

#### Employment and Occupational Characteristics

The retail and wholesale trades, in their function as the link between production of goods and consumers, share many of the same occupational characteristics.

The major occupational categories in the wholesale and retail trades are described by the U.S. Department of Labor as follows:

"Workers with a wide range of education, training, skill and ability are employed in the wholesale and retail trade. In 1966, white-collar workers accounted for more than 3 out of every 5 persons employed in the major industry group... Sales workers, the largest single group, make up nearly one-fourth of total industry employment. Managers and proprietors, the second largest group of workers, account for about one-fifth of the industry's work force... Clerical workers make up roughly one-sixth of the work force... Large numbers of shipping and receiving clerks are employed in both wholesale and retail trade.

"Blue-collar workers (craftsmen, operatives and laborers) accounted for nearly one-fourth of all employment in the industry group in 1966...

"Service workers accounted for roughly one out of every 7 workers employed in the industry group, mostly in retail trade."\*

Occupational patterns in the Region's wholesale and retail trade sectors are comparable to those of the nation as a whole, with some differences due to the concentration of particular segments of trade which are predominant in this Region. In wholesaling, for instance, the New York Region has traditionally been the major provider of warehouse space for the nation, and accounts for a large proportion of the nation's wholesale sales.

In keeping with a national trend, large manufacturing companies have taken over some of the warehouse and distribution function, traditionally performed by the wholesale trades in the Region. This trend, coupled with the out-movement of manufacturing concerns to suburban areas, has had an effect on the over-all growth of the wholesale trades in the core areas of the New York sector of the Region.

An early awareness of these trends on the part of regional wholesalers, however, resulted in a substantial reorganization of wholesale warehousing and distribution during the late 1950's and early 1960's. Wholesalers located in single-story, automated warehouses in the New Jersey sector of the Region, with access to that area's growing truck terminals. Rather than serving as storehouses for seasonal (or "dead") goods, these wholesaling facilities function as efficient, year-round supply centers, handling diverse articles for consumption. The trend toward

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\* Occupational Outlook Handbook, op.cit. p. 590.

manufacturing corporations taking over this wholesaling operation was therefore partially halted in the Region.\*

Occupations associated with wholesaling in the New York Region include mechanics and other technicians and clerical workers in businesses distributing motor vehicles and automobile parts; also, wholesale salesmen in firms selling industrial machinery and supplies, foods and food products, drugs and electrical appliances. The growth of trucking terminals and single-story warehousing in the New Jersey sector of the Region in recent years has resulted in a growth of driver occupations, handlers and packagers, and clerical positions associated with order-filling and shipping.

It should be noted that despite trends toward centralized facilities, the average wholesaling firm in the industry is relatively small in size. The New York State Department of Labor reports that fully 61% of all persons employed in the wholesale trades work in establishments employing under 49 persons. Smaller establishments also predominate in the retail trades, where 60% of the workers are employed in stores with under 49 employees.\*\*

Although these figures are probably distorted because they encompass all of New York State, including many small cities and towns, interviews in the New Jersey and New York suburban sectors reinforce these averages. Most of our contacts, even representatives of much larger firms, indicate

\* Carl A. Franzman, Warehousing in Wholesale Trade. Port of New York Authority, Summary, pp i-iii.

\*\* Structure of Earnings and Hours in New York State Industries: Size of Establishment, N.Y. State Department of Labor, Division of Research & Statistics. October 1968.



that between 50% and 60% of all retail and wholesale workers in the Region are employed in the smaller establishments.

Some striking changes are affecting retail employment in the nation as a whole, and in this Region as well. A trend toward self-service has reduced requirements for sales clerks and increased the need for cashiers at central checkout counters. This development has not been as noticeable in the study area due to the over-all growth of department and specialty stores in both core and suburban areas, with a resulting increase in total sales, clerical and managerial positions. Several managers of department stores in major suburban shopping centers of the Region mentioned the possibility of having to convert at least some of their departments (such as drugs and small variety items) into self-service operations because of their inability to fill entry-level sales jobs from the local labor market.

When wholesale and retail employment figures for the Region are contrasted with national statistics and those of other leading metropolitan areas, both the similarities and differences of the New York Region come to light. Comparisons between the combined wholesale and retail sectors and manufacturing, for the United States as a whole and for the Region, show that employment in manufacturing has fluctuated nationally, but has declined as a proportion of total employment in the Region from 1950 to 1965. Projections from 1965 to 1975 show that manufacturing will make some gains as an employer in the entire nation, but will continue to decline in the Region. The wholesale and retail trades, on the other hand, have maintained a stable percentage of total employment in both the nation and the Region over the past fifteen years, a trend which is expected to

go on for the next fifteen year period.\* The greatest growth in the trade sector, as well as opportunities for employment, will continue to take place in the suburbs.

#### Wage Level, Work Force and Operating Characteristics

In contrasting employees' earnings in the wholesale and retail trades with those of other industries, it is useful to examine average wage levels in various parts of the country as a percentage of the all-industry average in metropolitan areas. Bureau of Labor Statistics national data indicate that, in both office clerical jobs and unskilled plant worker jobs, non-manufacturing payrolls are generally lower than those of the manufacturing industry throughout the country. Within the non-manufacturing category, wholesale is usually considered a high-wage industry and retail is generally low-wage.

A comparison of pay levels of office clerical workers by industrial category and by geographic section shows that in the entire Northeast section of the United States, pay levels of clerical workers are slightly higher in manufacturing and in the wholesale trades than this Region's all-industry average, while pay levels of clerical workers in non-manufacturing are slightly lower than the all-industry average. Pay levels in the retail trade for this occupation are substantially lower than the all-industry average. In contrasting the Northeast with all other metropolitan areas of the country, pay levels for clerical workers in non-manufact-

\* The Region's Growth, op.cit, p. 129. Tables A-1 and A-2, computed from National Plan Association and BLS Reports.

uring and the retail trades are identical.

Metropolitan areas in the South average the lowest pay levels for office clerical workers, in contrast with all other regions, and pay levels are highest in the West. Average clerical pay levels in the North Central section of the country are slightly higher than those of the Northeast in manufacturing and retail trades, but lower in the total non-manufacturing category and in the wholesale trades. Table 3 illustrates these regional wage patterns.

Table 3. Office Clerical Worker Pay Levels in Metropolitan Areas of the United States. (Figures represent pay levels as a percent of the nationwide all-industry average).

	<u>Northeast</u>	<u>South</u>	<u>North Central</u>	<u>West</u>
<u>All Industries</u>	99%	94%	101%	107%
Manufacturing	101	99	105	113
Non-manufacturing	98	92	97	105
Wholesale	102	94	99	108
Retail	90	84	92	100

Source: Wages and Related Benefits, Part II: Metropolitan Areas, U.S. and Regional Summaries, 1966-67. Bureau of Labor Statistics Bulletin No. 1530-87, pp. 2-5.

Similar comparisons can be made between the Northeast and other geographic areas of the nation when unskilled plant pay levels are examined. Pay levels are substantially higher than in the South, and lower than in the West.

Table 4. Unskilled Plant Workers Pay Levels, by Area.  
(as a percent of nationwide all-industry average).

	<u>Northeast</u>	<u>South</u>	<u>North Central</u>	<u>West</u>
<u>All Industries</u>	101%	79%	108%	112%
Manufacturing	102	86	112	113
Non-manufacturing	103	75	103	112
Wholesale	100	73	103	113
Retail	87	71	92	106

Source: Same as Table 3.

The retail trades, heavily dominated by sales and clerical occupations, provide a major source of employment for women. In 1966, about two-fifths of all retail employees in the nation were women.\* The major sectors of the industry -- food and dairy products stores (grocery stores); general merchandise stores (department stores and general stores) -- employ a large percentage of these women workers. Young workers are also a major source of labor and, like many female workers, are hired largely on a part-time basis.

In 1966, in New York City, 3% of all retail trade workers were under 18 years of age and another 6.6% were between the ages of 18 and 21. These youthful workers were concentrated in drug stores, variety stores, food stores, department stores and other general merchandise stores. More than one-third of these youthful workers were females, employed predomi-

\* Occupational Outlook Handbook, 1968-69 Edition. U.S. Dept. of Labor, Bureau of Labor Statistics Bulletin 1550, p. 590.

nantly in department and variety stores.\*

The Occupational Outlook Handbook reported that women comprised approximately one-fifth of the wholesale trade work force in 1966, as opposed to two-fifths of retail jobs. In wholesaling, where the largest occupational groups are managers and proprietors, clerical workers and sales workers, the predominance of male workers is sometimes "hidden" unless these broad occupational categories are examined in more detail. Included under the "clerical" heading, for example, are a large group of "residual clerical" employees. These workers include inventory and stock clerks, checkout men, authorizers and routers. Other predominantly male occupations in wholesaling include mechanics and repairmen (primarily in the machinery and equipment group) and drivers, delivery men, meat cutters, wrappers and packers (in the food wholesale group).\*\*

Only 0.3% of all wholesale trade workers in New York City in 1966 were under 18 years of age, with another 3.8% between the ages of 18 and 21. Women comprised almost 44% of the youthful workers under 18 years of age, and almost 53% of the young workers between 18 and 21 years of age.\*\*\* More detailed analysis of work force characteristics in the Region, in-

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\* Structure of Earnings and Hours in New York State Industries: Women Workers, N.Y. State Department of Labor, Division of Research and Statistics, Nov., 1969, p. 78.

\*\* Occupational Employment Patterns for 1960 and 1975. The Manpower Administration, U.S. Dept. of Labor, Bureau of Labor Statistics, Bulletin 1599, p. 57.

\*\*\* Structure of Earnings & Hours in N.Y. State Industries: Women Workers. *op. cit.* p. 78.

cluding information on race, is included in Sections III and IV of this report.

### III. The Retail Trades in the New York Metropolitan Area

#### Operational Trends, Employment and Labor Force

In the retail trades, we have seen the demand for workers rising substantially in both central-city and suburban areas in the Region. This is particularly true in department stores, drug stores and in apparel and food operations which are linked to major shopping centers. In the Region as a whole and in New York City, retail has remained a constant 14% and 13%, respectively, of total employment. In the study area, only one county (Essex) has seen retail jobs decline as a percentage of total employment from 1959 to 1965. In the other six study area counties, three saw the retail trades grow as a percentage of total employment in the same time span, and three maintained a constant percentage during this period of general employment growth. In the years since 1965, retail trade has grown even more substantially in the Region, and projections to 1985, noted earlier, indicate this growth is expected to continue.

General job growth, however, is not the only indicator of economic health; for, while the opportunities for employment increase, pay levels and fringe benefits often follow at a much slower pace. In retail establishments, despite an increase in sales volume and total employment, entry-level salaries are below average. Let us now take a closer look at the kinds of jobs available in retailing, their potential for upward mobility, and their impact upon workers in the study area.

The New York State Department of Labor classifies all sectors of the retail trades as low-wage industries in relation to the average weekly wage of workers covered by unemployment insurance. This term can be better understood by examining weekly earnings in retail in New York City, and comparing them with earnings in other industries. (Table 5).

Table 5. Median Gross Cash Earnings of Workers in Selected Industries, and Percent Earning under \$70, New York City, March 1966.

	<u>Median gross weekly earnings</u>	<u>% of workers earning less than \$70 per week</u>
Manufacturing: total	\$ 90.40	30.7%
Durable goods: total	101.25	21.5
Nondurable goods: total	87.13	33.5
Non-Manufacturing: total	91.64	29.7
Retail trade: total	73.92	46.5

Source: New York State Dept. of Labor, The Structure of Earnings and Hours in New York State. Vol. I, May 1968. Table J, p. 15.

Wages are generally lower in retailing than in other industries. A far higher percentage of retail employees earn under \$70 per week than in other industrial classifications in New York City; only five show lower rates of pay than retailing's \$73.92 per week average. Wages in the leather and leather products industry were lower (\$72.15 per week), as were those in miscellaneous manufacturing (\$72.63 per week). Other low-wage classifications include eating and drinking places (\$61.46); personal services (\$67.46); and medical and health services (\$73.48). There are obvious reasons for some of these low-paying categories. The leather industry has been in a relatively depressed state in general, as opposed to

retail, which is growing in terms of both employment and establishments. Personal service employees and those in eating and drinking establishments depend upon tips, which greatly increase their average weekly earnings.

The retail employers and union representatives interviewed during the study agreed that a major problem in attracting and keeping workers was directly related to low wage levels. As one Retail Employees' Union official expressed it:

"Food store workers are grossly underpaid, therefore a constant labor shortage exists. The average individual is able to go down the street to a manufacturing firm and get a job paying more, with more opportunities for premium overtime, and with more week-end freedom."

The manager of a suburban branch of a large New York department store was also concerned with his inability to fill entry-level jobs.

"Though our main store is unionized, this branch is not. Despite this, our workers have the same fringe benefits as those in the central store - health insurance, sick leave, vacation and holiday pay. When we opened, salaries were exactly the same as in our main store. In the first two years of operation, not only were we unable to fill all our sales positions, but our turnover was phenomenal. After demonstrating that it was impossible to hire and keep workers, we received permission to raise our starting salaries by fifteen to twenty-five cents an hour. This helped, but did not solve the problem, since most of our workers are unable to even get to work without owning a car or paying at least twice as much as a city worker to get here."

Retail's relatively low entry-level wages are a factor in discouraging some workers from considering careers in this industry. Some other characteristics of retailing employment, however, appeal to certain kinds of wage-earners, such as the opportunity for part-time employment and flexible working hours.

In the suburban areas of the Region, new retail stores tend to locate



in shopping centers. Because the breadwinner drives the family car to work in so many households, shopping is done on week-ends or at night. Suburban shopping centers have responded to the needs of their customers by expanding their hours of operation. In Bergen County, the food, drug, liquor and department stores of most major shopping centers are open until 9:00 or even later every weekday night and Saturday. Many food stores and discount houses open on Sunday as well.\* In Suffolk County, where many new shopping centers are opening as population growth continues, department stores are open at least two nights a week and until 9:00 on Saturday. Interviews in Suffolk County stores indicated that all were considering expanding their night hours by one or two more weekdays.

Additional business hours provide workers with added opportunities for part-time employment. Most full-time sales personnel work during the daytime from Monday to Friday. The additional hours of operation attract students, housewives whose older children or husbands assume child-care responsibilities at night, or "moonlighters," who hold other full-time jobs during the regular work week and work "after hours" to earn a supplementary income. As one food store manager put it: "During the weekdays, my work force is made up mostly of matrons, but at night and on week-ends, the mini-skirts take over."

Educational and skill requirements in retail employment are relatively low. Every personnel manager interviewed during the course of the study stressed that he assumes the responsibility for training new sales workers,

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\* Sunday sales are limited to drugs, food and certain other essential goods by law in some states, and specific counties (where county option prevails) in the New York Metropolitan Region.

stock clerks and most management personnel. Though some managers prefer high school graduates for sales jobs, most admitted that their labor needs had long since passed the point where they can insist upon a high school diploma. Most stores were interested in young people who were fairly articulate, could write a simple sales slip, make change, and were amenable to supervision. All stores provided on-the-job training, and some had begun to supplement this with several additional, more formal "classes" held during the day, and covering such areas as arithmetic, penmanship and spelling.

Management personnel in the retail trades can attain their skills in several ways, including college courses in business management, personnel and related subjects. Even college-educated managers, however, undergo special training periods in the particular firm in which they will work. In some firms, particularly department or other general merchandise stores, these training periods can last from several months to one year. Most courses combine classroom work and on-the-job training.

A management trainee learning how to be a buyer for a department store, for instance, works as a sales clerk in various departments, learning stock and customer preferences. This "apprenticeship" stage is a necessity in almost all retail stores, and has another positive effect on employment opportunities. For the worker who comes into the retail trade in an entry-level sales or clerical position, there is a built-in channel for advancement into intermediate or even top management. The sales clerk who receives regular promotions can move into a supervisory position quickly (usually within a two-year period) as a department manager or specialist in a certain area of sales. Most large stores select some of their manage-

ment trainees from qualified personnel in their work force. Three personnel managers interviewed during the study - two in department stores and one in the central office of a food chain - indicated that from 10% to 20% of management personnel currently employed had come up through this process. Some had eventually worked toward an academic degree, but only after achieving a "middle management" position.

One other characteristic which attracts workers to the retail trades is simply the fact that there are usually positions available. Every suburban shopping center visited showed evidence of a labor shortage, and "help wanted" signs were numerous in both large and small concerns. A black, employed as manager of a Suffolk County shoe store, said he had attained his position after one and one-half years as a clerk, and attributed his rise into management mainly to a labor shortage:

"Since I became manager, six months ago, our sales force of five has turned over completely, except for one man. Now, he's leaving to manage another store. This same rapid turnover got me my present job."

The percentage of women employed in department and variety stores in the Metropolitan Region of the Northeast is estimated by the Bureau of Labor Statistics at from seven-tenths to nine-tenths of the total work force.\* In drug stores women accounted for nearly three-fifths of the work force.\*\* Other branches of retailing employ more men, particularly in

\* Employee Earnings and Hours in Retail General Merchandise Stores, United States Department of Labor, Bureau of Labor Statistics Bulletin 1584-2, June 1966. p. 2.

\*\* Employee Earnings and Hours in Miscellaneous Retail Stores, U.S. Dept. of Labor, BLS Bulletin 1584-7, June 1966, p. 2.

food stores (where, nationally, men account for about two-thirds of the work force), and miscellaneous retail stores (where approximately three-fourths of the workers are men).

Retail stores also attract large numbers of young workers, particularly students hired to supplement the regular work force during evening and week-end hours of operation. Employers interviewed estimated that the majority of their full-time, weekday work force is "over 35 years of age," but that on week-ends, evenings and during periods of seasonal hiring, from 50% to 75% of the work force is under 25 years of age.

#### Employment Opportunities in Retail for Negroes and Puerto Ricans

In each of the study area counties, both the non-white and Puerto Rican populations have increased substantially from 1960 to 1968. In almost every case, the largest minority labor force growth was in the 14-24 or 25-54 age group, reflecting population growth by in-migration.

It is important to note that this minority population and labor force growth represents a small percentage of overall county growth (except in Essex County (N.J.), which contains the City of Newark). Neither blacks nor Puerto Ricans have increased as a percentage of total population in the study area counties (again with the exception of Essex County). Regional Plan Association population projections indicate that at least half of the core area's population will be non-white and Puerto Rican by 1985, while less than 10% of suburban residents will be of these minority groups by that year.

In virtually all of the study counties, the minority labor force's youngest age group (ages 14-24) has experienced striking growth between 1960 and 1968. An exception was Nassau County, where the "young" non-white

labor force group (ages 14-24) increased by 27.9% in this time period as compared to the "middle" (age 25-54) non-white labor force age group, which increased by 34.6%. Westchester County's Puerto Rican labor force growth in this time period was almost exactly the same in both the 14-24 age category (106.0%) and the 25-54 age group (103.4%). In all other study area counties, the youngest minority labor force group experienced a greater growth rate than the older groups of minority workers.

Foregoing documentation and analysis established that central cities offer the minority labor force declining opportunities in manufacturing employment, some modest increases of opportunities in retailing employment and major new opportunities in central office employment, with varying degrees of educational background and vocational skills required for each. The suburbs offer minority workers increasing employment opportunities in the same three types of enterprises with retailing offering the largest increase in new jobs, manufacturing second and central offices third.

It is important, consequently, to determine the "drawing power" of new suburban retail jobs for members of the minority labor force, especially, for its growing youthful segment. Do opportunities in the retail trades in suburban areas make them attractive sources of employment for minority workers?

Despite all the opportunities in retail employment for the minority labor force, especially women and youth, blacks and Puerto Ricans are not adequately represented in the retail trades. Data from the Equal Employ-

ment Opportunity Commission (EEOC -- a Federal agency) gathered in 1966,\* indicate that participation in retailing by minority employees in the larger establishments in suburban counties of the Region is minimal. Enough specific data on minority employment to compose a meaningful sample was difficult to obtain from individual firms, but our interviews indicated that suburban employers are concerned with their inability to attract minority employees in greater numbers. The data summarized in the table that follows indicate that not only are minority employees under-represented in the suburban retail labor force, but that their proportion of higher-paying occupations within retailing is even smaller.

In Nassau County, only 29 of the 950 blacks (3.1%) and 7 of the 326 Spanish-surname workers (2.1%) listed in the EEOC general merchandise category were managers, professionals or technicians. 628 blacks (66.1%) and 290 Spanish-surname workers (89.0%) were listed as service workers at the bottom of the retail pay scale. The next largest group of blacks and Spanish Americans were laborers, and the third largest group were in the sales and office clerical categories. This pattern was common to all of the other counties of the study area, except Essex, affected by Newark's central city pattern.

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\* Based on annual reports required by Federal law of all employers of 100 or more, and those with Federal contracts employing 50 or more.

Table 6. Employment in Selected Retail General  
Merchandise Stores by Race  
EEOC-1 Data, 1966.\*

<u>County</u>	<u>Total</u>	<u>Negro</u>	<u>%</u>	<u>Spanish-Surname</u>	<u>%</u>
Nassau	14,170	950	6.7	326	2.3
Suffolk	1,553	26	1.7	75	4.8
Westchester	5,336	507	9.5	98	1.8
Bergen	5,897	272	4.6	64	1.1
Essex	17,920	2,533	14.1	251	1.4
Middlesex	1,937	81	4.2	25	1.3
Fairfield	6,829	467	6.8	126	1.8

Source: Equal Employment Opportunity Commission, Washington, D. C.  
EEOC-1 Data, 1966.

Interviews with both central city and suburban retail employers revealed some of the reasons, other than overt discrimination, which influence the low participation rates of minority workers in the retail trades in the suburbs. In contrast, in New York City and Newark, where blacks and Puerto Ricans live within easy public transit ride of major retail stores, the work force tends to show a concentration of these minorities equal to their proportion of the general population, or greater.

In Macy's Herald Square store (Manhattan), which employs more than 8,000 workers, approximately 33% of the work force is black and Puerto Rican. Minority workers are represented in the entire range of the job spectrum. Exactly the opposite situation exists at Macy's in the Walt Whitman shopping center in Huntington, Long Island (Suffolk County). Here

\* Includes data only from firms employing 100 or more persons and those of 50 or more having government contracts.

the personnel manager stressed that he had worked with the Suffolk County Human Relations Commission to establish a new bus route to make his store accessible to workers from surrounding black communities. The plan never became operational. He has tried advertising for help in predominantly black communities and making personal appearances there to solicit job applications. The results have increased his minority work force from approximately 7% to 10% over a four-year period.

Three major reasons for the difficulty in attracting black workers emerged during our interviews:

1. inadequate transportation,
2. low rates of pay in entry-level jobs as compared to manufacturing,
3. the "sea of white faces" which a black prospect encounters upon entering a suburban store.

#### Access to Retail Jobs in Suburban Areas

One barrier in bringing together the under-employed minority labor pool with the growing retail sector of industry is related to the under-supply of moderate-cost housing in suburban areas. Such housing is especially crucial to the prospective minority employee who lives in central-city areas of the New York Metropolitan Region. To any but the high-wage earner in retail, commutation costs from the central city to the suburbs are prohibitive. In families where more than one wage earner is essential, commutation costs would nullify the additional salary of the second worker, particularly if there are additional strains on family expenses, such as child care costs, necessitated by the mother working.



The minority worker already housed in suburbia is not exempt from these problems. Most of the growing retail employment opportunities are scattered in a discreet manner throughout the suburbs. The worker is forced to depend upon local bus lines, notorious for poor service where they exist at all, or private transportation, usually by individual car ownership or car-pool arrangements.

#### IV. The Wholesale Trades in the New York Metropolitan Region

##### Operational Employment and Labor Force Characteristics

As was shown earlier in the study, the wholesale trades have retained their place as a significant employer in the Region. In New York City and Essex County, wholesaling employment has declined, but the jobs lost in these areas have been more than offset by gains in the suburban areas of the Region.

Carl Franzman, Director of Research for the Port of New York Authority, in studying the growth of the wholesale trades in the early 1960's, forecast the gradual decline of wholesaling in the central city areas of the Region, and its increase in the suburban areas of the Region. His projections have been proved accurate over the past years; actually the shift to suburban counties in the late 1960's has been exceeding his predictions.

Table 7. Distribution of Projected Employment in Wholesale Trade in the New York Area.

	<u>1958</u>	<u>1965</u>	<u>1975</u>
<u>New York Area</u>	100.0%	100.0%	100.0%
New York City	75.3	73.5	68.0
Nassau	3.1	2.8	3.6
Suffolk	0.8	0.9	1.1
Westchester	2.8	2.6	3.1
Essex	5.7	6.4	7.2
Bergen	2.7	2.9	3.7
Middlesex	1.0	1.4	1.8

Source: Carl A. Franzmann, Wholesale Trade in the New York Metropolitan Region, Vol. 1, Ch. 3: Trade in Domestic Markets. New York Port Authority, unpublished. p. 57, Table 12. 1958 column based on U.S. Census and 1965 and 1975 columns based on New York Metropolitan Regional Study.

Recent Bureau of Labor Statistics and Port of New York Authority data show that Franzmann's expectations of a tremendous growth of wholesale distributors in the New Jersey sector of the study area were correct. The growing warehouse function of wholesaling has increasingly automated, and has tended to locate in single-story suburban plants. Even as early as 1960, about 45% of wholesalers' warehouse space in the New York Region was single-story, and current estimates show that from 50% to 60% of all warehousing functions are in single-story buildings.

Again, according to Carl Franzmann:

"Employment in wholesaling has grown at the sharpest rate in the New Jersey sector of the Metropolitan Area, and this growth appears to be associated with large-scale development there of goods handling facilities, rather than in sales and other transactional functions.

"The warehousing function has also shown strong growth in the New York sector, but with the virtual exhaustion of acreage in Queens, there are few sites available for the development of modern warehousing facilities, and fewer still which meet the basic transportation services which such facilities require. It is expected, therefore, that the goods handling phase of wholesaling in northern New Jersey will grow at an even faster rate in the future.

"New Jersey's attractiveness for the distribution of goods has been vastly enhanced by the growth during the postwar period of an extensive system of truck terminals, to the extent that the New Jersey side now overshadows the rest of the Metropolitan Area."

Franzmann, Warehousing in the  
Wholesale Trade. Summary, p. 11.

Wholesaling, unlike retailing is considered a high-wage industry. Its pay rates are substantially higher than in retailing. (In New York City, wholesaling earnings are higher than in either manufacturing or non-manufacturing divisions of industry.)

Table 8. Median Gross Cash Weekly Earnings of Workers in  
Selected Industries, and Percent Earning under \$70.  
New York City, March 1966.

	<u>Median gross</u> <u>weekly earnings</u>	<u>% of workers earning</u> <u>less than \$70 per week</u>
Manufacturing: total	\$ 90.40	30.7%
Durable goods	101.25	21.5
Nondurable goods	87.13	33.5
Non-manufacturing: total	91.64	29.7
Retail Trade	73.92	46.5
Wholesale Trade	104.60	15.7

Source: New York State Dept. of Labor, The Structure of Earnings and Hours in New York State. Vol. 1, May 1968. Table J, p. 15.

Not only are median earnings higher in wholesaling than in most other industries, but a much smaller proportion of wholesale workers earn under

\$70 per week (15.7% in wholesaling in contrast to 46.5% in retailing).

The composition of the work force in wholesaling is considerably different than in retailing. Many of the most important wholesale occupations are predominantly male, as are the trucking operations associated with the wholesale trades. Mechanization has been of major importance, and the technical workers involved in this process are semi-skilled and highly-skilled males.

Competition for entry-level jobs in wholesaling is much more evident than in retailing. Most employers interviewed during the study indicated that, except for office clerical workers, their labor force requirements were substantially being met. Several suburban firms, however, pointed out that many of their technical and warehouse workers commuted from as far as 40 miles away, and that they were concerned about the possibility of a labor shortage in the future. One representative of a large oil company said that his firm was becoming involved in training programs to help assure the continuation of a skilled labor force, and gave as his opinion that it is unrealistic

"for wholesalers, retailers, or any concern in the competitive labor market to overlook Job Corps, poverty agencies, or any agency which trains low-income people."

#### Employment Opportunities in Wholesale for Negroes and Puerto Ricans

As in retailing, employment opportunities for minority workers in the wholesale trades are severely limited, despite the growth of jobs in this sector of industry and the small growth of minority population in suburban areas of the Region.

EEOC data for the wholesale trades show that black and Puerto Rican employment in this sector is a small percentage of the totals. Minority

workers are concentrated in the low-paid occupations.

Table 9. Employment in Selected Wholesale Establishments\*  
by Race, EEOC-1 Data, 1966.

<u>County</u>	<u>Total</u>	<u>Employment</u>			
		<u>Negro</u>	<u>%</u>	<u>Spanish-Surname</u>	<u>%</u>
Nassau	4,144	125	3.0	55	1.3
Suffolk	848	55	6.5	18	2.1
Westchester	5,357	165	3.1	55	1.0
Bergen	6,185	209	3.4	74	1.2
Essex	5,049	192	3.8	55	1.1
Middlesex	2,477	108	4.4	30	1.2
Fairfield	3,883	169	4.4	18	0.5

Source: Equal Employment Opportunity Commission, Washington, D. C.  
EEOC-1 Data, 1966.

In Nassau County, of the 125 blacks included in the EEOC wholesale sample, only seven were employed in management, professional or technical jobs, while 33 were office clerical workers, 27 were operatives and 38 were laborers. All of the other counties showed similar "clusters" of minority workers in less skilled, lower paid jobs.

## V. Conclusion

### Implications of Findings for Manpower Problems of the Retail and Wholesale Industries

Both the statistical and interviewing phases of the study have provided insights into the manpower problems of the retail and wholesale trades in the New York Metropolitan Region. Suburban employment is increasing

\* See Table 6 for establishment sizes included.

in the retail and wholesale industries. In central cities, wholesale employment is declining, while retailing's percentage of total employment remains constant. In wholesaling, a considerable portion of the work force is engaged in jobs requiring skills. Men predominate in this industry's occupations, except in clerical positions. Retail trades provide a major source of employment for women. The entry-level work force in retailing contains many part-time workers, most of whom are younger than the full-time work force.

In both wholesale and retail, the occupational categories range from janitorial workers to skilled operatives and high-paid management personnel. The representation of blacks and Puerto Ricans is greatest at the bottom of the occupational scale and least at the top.

Central city workers in the retail trades tend to be younger than those in suburban areas. However, the largest concentration of workers in both wholesaling and retailing is in the 25-44 age category.

Salary scales for entry-level retail jobs are considerably lower than in wholesale trade. In all but the large branch stores, retail pay scales and fringe benefits tend to be lower in suburban than central areas, partly because of less unionization.

In the retail trades, and particularly in sales and service jobs, turnover is high; slightly higher in the suburbs than in long established retail centers such as New York and Newark. The wholesale work force tends to be more stable, primarily because of the higher wage levels and fewer secondary-income employees. In both trades, however, blue-collar male jobs remain hardest to fill. There are no basic qualifications for the low-skilled

jobs in either of the trades, but most employers, especially in wholesale, state that high school graduates stand a better chance of progressing to higher paid positions.

The minority work force is growing more significantly in central cities than in suburban areas. Its composition is increasingly young. Access to expanding suburban job markets is limited for the vast majority of the Region's minority labor force due to a lack of housing within their means in reasonable proximity to growing retail and wholesale centers and available to them on an equal basis with whites. Secondary employment opportunities, for minority women and youth interested in supplementing family incomes, especially by helping with mortgage payments on a suburban home, are limited due to high transportation costs to low-paying jobs, and the overwhelmingly "white" complexion of the suburban population from which the stores' customers come. On the other hand, part-time and short-time work arrangements make retail jobs particularly attractive to housewives and students who live in close proximity to the store.

There are some signs that employers are worried about their inability to attract minority workers. This is particularly true in the retail trades, where there is a strong desire for the preservation of full-service stores requiring an ample supply of labor, as opposed to the more "automated" self-service concept.

Efforts to solve these problems should begin with a realization on the part of suburban governments and their taxpayers that the limitation of access to local housing for low-income households also limits local chances to attract commercial and industrial enterprises. Unless housing is available locally for lower-paid help and more efficient forms of public

transit are devised, middle- and upper-income suburban residents will experience a deterioration in the quality and quantity of services necessary to their convenience and comfort.

Suburban retail establishments cannot continue to increase sales volumes unless workers are available to fill the jobs created by this growth. In their efforts to expand their operations and fill new jobs, employers must provide more training opportunities, particularly for those members of the work force who are in need of long-term employment and, therefore, are career-oriented.



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Sample Questions For Interviews  
Wholesale/Retail Study

1. Name \_\_\_\_\_
2. Address \_\_\_\_\_  
\_\_\_\_\_

3. How many employees \_\_\_\_\_

4. Occupational breakdown according to interviewee. (Include positions from janitor to manager.)

Age \_\_\_\_\_  
Range \_\_\_\_\_  
Groups \_\_\_\_\_

5. What are the starting, average, and maximum salaries of the above job titles? If training period involved, what was the salary upon completion?

Starting Salary \_\_\_\_\_  
Average Salary \_\_\_\_\_  
Maximum Salary \_\_\_\_\_

6. How do you think these salaries compare with other firms employing people with similar skills? \_\_\_\_\_  
\_\_\_\_\_

7. What is your monthly termination rate?  
Rate \_\_\_\_\_

8. What are major reasons for termination:

Lack of work \_\_\_\_\_  
Layoffs \_\_\_\_\_  
Illness \_\_\_\_\_  
Resignation (illness, dissatisfaction, other) \_\_\_\_\_  
Other \_\_\_\_\_

9. What is your monthly hiring rate?  
Monthly Rate \_\_\_\_\_

10. What is your monthly shortage rate?  
Monthly Shortage rate \_\_\_\_\_

11. What positions do you find the hardest to fill? The easiest? What goes unfilled?

Hardest \_\_\_\_\_  
Easiest \_\_\_\_\_  
Unfilled \_\_\_\_\_

12. What technique do you use to fill positions?

Newspaper \_\_\_\_\_ Private Agency \_\_\_\_\_  
State Employment Agency \_\_\_\_\_ Bulletin Board \_\_\_\_\_  
Schools \_\_\_\_\_ Word of Mouth \_\_\_\_\_ Other \_\_\_\_\_

13. Do your hiring methods reach the non-white labor force?
- \_\_\_\_\_

14. Are there educational qualifications for low- and semi-skilled jobs?  
If so, what?

Educational qualifications - low skilled \_\_\_\_\_

Educational qualifications - semi-skilled \_\_\_\_\_

No educational qualifications \_\_\_\_\_

15. Do high school graduates perform better than non-grads?

Better \_\_\_\_\_ The same \_\_\_\_\_ Below \_\_\_\_\_

16. Do you offer training programs for workers? What categories?

Yes \_\_\_\_\_ No \_\_\_\_\_ Categories \_\_\_\_\_

17. What is the length of time for training?

Period \_\_\_\_\_

18. Are the employees upgraded upon completion of training?

Yes \_\_\_\_\_ No \_\_\_\_\_

19. Is public transportation a problem for your workers?

Yes \_\_\_\_\_ No \_\_\_\_\_ Other \_\_\_\_\_

20. Is absenteeism a problem in your company?

21. What categories of workers have the highest absentee rate?

Highest \_\_\_\_\_ Lowest \_\_\_\_\_

22. How is your worker's pay computed? (Hourly, daily, weekly)

Hourly \_\_\_\_\_ Daily \_\_\_\_\_ Weekly \_\_\_\_\_

23. Do you have overtime?

Yes \_\_\_\_\_ No \_\_\_\_\_ Other \_\_\_\_\_

24. What proportion of your labor force commutes? From where - central city, surrounding counties?

Proportion \_\_\_\_\_  
Cities and/or counties \_\_\_\_\_

25. In general, do you have a local or wide-area labor force?

Local \_\_\_\_\_ Wide-area \_\_\_\_\_

26. If wide-area, is cost of housing in your area a factor?  
Yes \_\_\_\_\_ No \_\_\_\_\_ Other \_\_\_\_\_
27. What percentage of your labor force work part-time?  
A. How many of these are females? \_\_\_\_\_  
B. How many are under 25? \_\_\_\_\_  
C. How many are unmarried? \_\_\_\_\_
28. What percentage of your labor force is non-white?  
Percentage \_\_\_\_\_
29. What Union serves your establishment? Union \_\_\_\_\_
30. Does Union have any definite upgrading stipulations, i.e., promotions from within, specific training, or periodical increments.  
\_\_\_\_\_  
\_\_\_\_\_

Table A

In New York City Areas (1970)

	<u>Area</u>	<u>Borough</u>	<u>Population</u>	<u>Percentage of Negroes and Puerto Ricans</u>
Over 50%:				
	Central Harlem	Manhattan	172,450	99.3
	Bedford-Stuyvesant	Brooklyn	295,579	86.5
	East Harlem	Manhattan	143,924	77.4
	Mott Haven	Bronx	254,635	76.0
	Morrisania	Bronx	262,474	75.2
	Fort Greene	Brooklyn	210,616	69.4
30% to 49%:				
	Brownsville	Brooklyn	311,787	49.4
	Bushwick	Brooklyn	210,997	48.4
	Red Hook-Gowanus	Brooklyn	154,177	43.6
	Washington Heights	Manhattan	235,438	39.8
	Williamsburg-Greenpoint	Brooklyn	187,893	38.7
	Jamaica East	Queens	337,080	37.2
	Riverside	Manhattan	217,514	33.6

## Appendix 4

Distribution of Negro and Puerto Rican Populations

Table A (Cont.)

in New York City Areas (1970)

<u>Area</u>	<u>Borough</u>	<u>Population</u>	<u>Percentage of Negroes and Puerto Ricans</u>
10% to 29%:			
Pelham Bay	Bronx	184,374	23.4
Sunset Park	Brooklyn	190,992	15.8
Lower West Side	Manhattan	269,407	15.4
Westchester	Bronx	298,684	14.6
Fordham Riverdale	Bronx	260,782	14.5
Corona	Queens	260,642	12.1
Flatbush	Brooklyn	499,498	10.7
Jamaica West	Queens	359,741	10.4
Less than 10%:			
Flushing	Queens	546,847	9.8
Astoria-Long Island City	Queens	250,069	9.2
Gravesend	Brooklyn	320,975	8.8
Bay Ridge	Brooklyn	283,286	6.9
Richmond	Richmond	280,900	5.5
Kips Bay - Yorkville	Manhattan	194,070	4.5
Maspeth-Forest Hills	Queens	312,321	4.2

Appendix 4  
Table B

Distribution of Negro and Puerto Rican Populations

Outside of New York City (1968)

(Communities with 10% or more Negroes and Puerto Ricans)

<u>Community and County</u>	<u>Population</u>	<u>Percentage of Negroes and Puerto Ricans</u>
Coram, Suffolk	2,217	75.8
North Amityville, Suffolk	11,351	75.3
New Cassel, Nassau	9,751	65.6
Newark, Essex	417,862	65.1
Wyandanch, Suffolk	14,270	64.3
Edgewood, Suffolk	3,929	41.3
Roosevelt, Nassau	13,961	38.3
Hempstead, Nassau	39,567	38.1
East Orange, Essex	81,750	34.0
Mount Vernon, Westchester	71,095	32.6
Bridgeport, Fairfield	152,300	29.1
Montclair, Essex	45,271	28.1
Englewood, Bergen	27,451	26.9
Orange, Essex	38,608	26.1



Appendix 4  
Table B (Cont.)

<u>Community and County</u>	<u>Population</u>	<u>Percentage of Negroes and Puerto Ricans</u>
New Brunswick, Middlesex	44,218	21.7
Pilgrim State Hospital, Suffolk	11,478	21.1
Perth Amboy, Middlesex	42,201	20.5
Freeport, Nassau	38,780	20.4
Peekskill, Westchester	18,364	20.1
Kings Park State Hospital, Suffolk	7,858	19.6
Central Islip State Hospital, Suffolk	12,441	19.4
Monroe, Middlesex	8,052	18.9
Tuckahoe, Westchester	6,125	18.8
Elmsford, Westchester	4,234	18.6
Inwood, Nassau	8,972	18.4
Cranbury Twp., Middlesex	2,446	18.2
Northport Veterans Hospital, Suffolk	2,352	17.7
Ossining, Westchester	22,334	17.6
West Hempstead, Nassau	26,156	17.3
Port Chester, Westchester	24,632	17.0
Greenburgh, Westchester	39,570	16.1
White Plains, Westchester	49,790	15.4

Appendix 4  
Table B (Cont.)

<u>Community and County</u>	<u>Population</u>	<u>Percentage of Negroes and Puerto Ricans</u>
No. Mastic-Moriches Area, Suffolk	7,223	14.7
Manhasset, Nassau	9,085	13.9
New Rochelle, Westchester	74,228	13.7
Glen Cove, Nassau	25,643	12.8
Teaneck, Bergen	43,798	12.5
Mackensack, Bergen	38,676	12.4
Long Beach, Nassau	31,195	11.8
West Amityville, Nassau	5,466	11.6
Norwalk, Fairfield	76,200	10.7
Stamford, Fairfield	110,200	10.2
Medford, Suffolk	22,604	10.2
Brentwood, Suffolk	45,860	10.0

Source: RPA estimates for 1968, prepared for this study.

## Appendix 4

Distribution of Negro and Puerto Rican Populations

## Table C

Outside of New York City 1968

(Communities of over 15,000 Population with less than 3% Negro and Puerto Rican)

<u>Community and County</u>	<u>Population</u>	<u>Percentage of Negroes and Puerto Ricans</u>
North Arlington, Bergen	19,207	0.2
Lyndhurst Twp., Bergen	23,372	0.2
Massapequa, Nassau	26,748	0.3
East Paterson, Bergen	20,679	0.3
South Farmingdale, Nassau	19,182	0.3
Cliffside Park, Bergen	18,452	0.3
North New Hyde Park, Nassau	17,492	0.3
Saddle Brook Twp., Bergen	16,084	0.4
Oceanside, Nassau	35,688	0.4
Sayreville, Middlesex	30,549	0.4
Massapequa Park, Nassau	22,153	0.4
Wantagh, Nassau	22,029	0.4
Lynbrook, Nassau	21,534	0.4
New Milford, Bergen	20,347	0.4
Seaford, Nassau	17,045	0.4
Floral Park, Nassau	15,676	0.4

Table C (Cont.)

Outside of New York City (1968)

(Communities of over 15,000 Population with less than 3% Negro and Puerto Rican)

<u>Community and County</u>	<u>Population</u>	<u>Percentage of Negroes and Puerto Ricans</u>
North Wantagh, Nassau	15,025	0.4
Valley Stream, Nassau	40,007	0.5
Trumbull, Fairfield	31,000	0.5
Franklin Square, Nassau	32,656	0.6
Ridgefield Park, Bergen	15,133	0.6
Lindenhurst, Suffolk	26,489	0.6
South Smithtown, Suffolk	25,768	0.6
North Massapequa, Nassau	23,968	0.6
Shelton, Fairfield	23,700	0.6
Baldwin, Nassau	23,219	0.6
Bethpage, Nassau	18,562	0.6
North Valley Stream, Nassau	16,993	0.6
Bellmore, Nassau	16,985	0.6
Massapequa East, Nassau	16,925	0.6
Levittown, Nassau	67,165	0.7
Fair Lawn, Bergen	39,326	0.7
Garden City, Nassau	24,798	0.7

## Appendix 4

Distribution of Negro and Puerto Rican Populations

Table C (Cont.)

(Outside of New York City (1968))

(Communities of over 15,000 Population with less than 3% Negro and Puerto Rican)

<u>Community and County</u>	<u>Population</u>	<u>Percentage of Negroes and Puerto Ricans</u>
Fairfield, Fairfield	56,700	0.8
Eastchester, Westchester	22,359	0.8
Micksville, Nassau	52,490	0.9
East Brunswick Twp., Middlesex	29,884	0.9
Merrick, Nassau	26,364	0.9
Mineola, Nassau	22,491	0.9
Darien, Fairfield	22,300	0.9
East Meadow, Nassau	57,084	1.0
Plainview, Nassau	32,851	1.0
Paramus, Bergen	28,024	1.0
Fort Lee, Bergen	31,774	1.0
San Remo, Suffolk	25,771	1.0
West Islip, Suffolk	16,998	1.0
Ridgefield, Fairfield	16,500	1.0
North Bellmore, Nassau	22,968	1.1
North Selden Area, Suffolk	16,977	1.1
North Babylon, Suffolk	40,479	1.2

Table C (Cont.)

(Outside of New York City (1968))

(Communities of over 15,000 Population with less than 3% Negro and Puerto Rican)

<u>Community and County</u>	<u>Population</u>	<u>Percentage of Negroes and Puerto Ricans</u>
Livingston Twp., Essex	28,392	1.2
Dumont, Bergen	20,543	1.2
Bergenfield, Bergen	29,388	1.3
Yorktown, Westchester	25,399	1.4
Garfield, Bergen	31,227	1.5
Westport, Fairfield	30,900	1.5
Maplewood Twp., Essex	24,729	1.5
Lodi, Bergen	26,992	1.6
Millburn Twp., Essex	21,288	1.6
Harrison, Westchester	21,283	1.7
Madison Twp., Middlesex	41,201	1.8
Centereach, Suffolk	22,857	1.8
Greenlawn, Suffolk	69,143	1.9
Bloomfield, Essex	54,375	1.9
Nutley, Essex	31,966	1.9
Ridgewood, Bergen	27,487	2.0

Distribution of Negro and Puerto Rican Populations

Table C (Cont.)

(Outside of New York City (1968))

(Communities of over 15,000 Population with less than 3% Negro and Puerto Rican)

<u>Community and County</u>	<u>Population</u>	<u>Percentage of Negroes and Puerto Ricans</u>
Irvington, Essex	64,526	2.0
South Setauket, Suffolk	22,336	2.1
West Orange, Essex	43,799	2.1
Rutherford, Bergen	21,290	2.2
Port Washington, Nassau	28,892	2.3
North Brunswick Twp., Middlesex	16,865	2.3
Edison Twp., Middlesex	65,514	2.4
New Canaan, Fairfield	21,500	2.4
Belleville, Essex	37,627	2.5
Woodmere, Nassau	19,455	2.5
Greenwich, Fairfield	64,100	2.6

Per Capita True Value of Taxable Real Property  
in Bergen County, 1970

<u>Municipality</u>	<u>Population (1969)</u>	<u>True Value Real Property</u>	<u>Per Capita</u>
Teterboro	20	\$ 57,942,687	\$2,897,134
Rockleigh	460	19,493,200	42,377
Englewood Cliffs	5,240	163,979,271	31,294
Alpine	1,200	35,734,937	29,779
Saddle River	2,320	65,946,000	28,425
South Hackensack	2,400	58,885,651	24,536
Carlstadt	7,120	173,529,227	24,372
Moonachie	3,380	70,683,900	20,912
Franklin Lakes	6,510	120,238,200	18,470
Old Tappan	3,440	53,325,400	15,502
Paramus	27,760	422,682,109	15,226
Upper Saddle River	6,750	101,450,553	15,030
Mahwah	10,800	161,379,506	14,943
Hohokus	4,540	62,866,303	13,970
Tenafly	15,280	207,365,739	13,571
Woodcliff Lake	4,870	64,171,900	13,177



Appendix 4  
Table D (cont.)

<u>Municipality</u>	<u>Population (1969)</u>	<u>True Value Real Property</u>	<u>Per Capita</u>
Wyckoff	15,160	\$199,614,269	\$ 13,167
Oradell	8,750	114,148,720	13,046
Haworth	3,770	46,826,625	12,421
Wood Ridge	8,590	106,566,570	12,406
Montvale	6,920	84,726,109	12,244
Edgewater	5,790	70,183,030	12,121
East Rutherford	10,020	117,383,578	11,715
Northvale	5,040	58,846,631	11,676
Ridgewood	27,440	315,552,334	11,500
Fort Lee	32,940	278,722,486	11,497
Ridgefield	12,290	140,551,692	11,436
Allendale	5,910	64,311,560	10,882
Demarest	5,260	56,785,389	10,796
Harrington Park	4,450	47,382,920	10,648
Norwood	4,120	43,865,730	10,647
Ramsey	12,510	132,199,641	10,568
Englewood	27,260	287,193,898	10,535
Cresskill	8,400	86,313,885	10,275

Appendix 4  
Table D (cont.)

<u>Municipality</u>	<u>Population (1969)</u>	<u>True Value Real Property</u>	<u>Per Capita</u>
River Vale	8,330	\$ 85,244,594	\$ 10,223
Glen Rock	13,520	135,999,505	10,059
Closter	9,030	87,810,962	9,724
Hackensack	36,620	348,806,997	9,525
Hillsdale	10,850	101,420,761	9,348
Teaneck	44,210	406,863,613	9,203
Washington Township	10,070	91,651,349	9,101
Saddle Brook	16,760	152,094,284	9,075
Emerson	8,300	75,101,029	9,048
Fair Lawn	39,360	351,017,874	8,918
Westwood	11,340	100,359,177	8,850
Oakland	13,710	119,789,593	8,737
Leonia	9,340	81,431,003	8,719
Little Ferry	9,370	80,825,200	8,626
Rochelle Park	6,850	58,624,398	8,558
Park Ridge	8,620	72,263,824	8,383
East Paterson	21,840	181,972,819	8,332
Rutherford	21,590	178,152,700	8,252

Appendix 4  
Table D (cont.)

<u>Municipality</u>	<u>Population (1969)</u>	<u>True Value Real Property</u>	<u>Per Capita</u>
Hasbrouck Heights	14,280	\$117,117,419	\$ 8,201
River Edge	14,080	114,621,669	8,141
Maywood	12,050	95,909,946	7,959
Fairview	11,140	88,439,975	7,939
Midland Park	8,470	65,741,012	7,762
Palisades Park	13,930	103,826,847	7,453
Waldwick	12,720	94,062,200	7,395
Bergenfield	30,340	222,091,655	7,320
Dumont	20,770	150,743,800	7,258
Bogota	9,320	64,982,800	6,972
Cliffside Park	18,950	131,623,476	6,946
Lyndhurst	24,300	161,598,636	6,650
North Arlington	19,400	127,151,733	6,554
New Milford	21,620	137,827,726	6,350
Lodi	28,020	176,571,377	6,302
Wallington	11,510	71,630,864	6,223

Appendix 4  
Table D (cont.)

<u>Municipality</u>	<u>Population (1969)</u>	<u>True Value Real Property</u>	<u>Per Capita</u>
Ridgefield Park	15,570	\$ 92,760,686	\$ 5,958
Garfield	31,270	173,799,065	5,558

Source: Bergen County Tax Evaluation, County Board of Taxation, Hackensack, N.J. - 1970.  
1969 Population Estimates for New Jersey, Bureau of Research and Statistics, Department of Conservation and Economic Development, Trenton, 1969.

**NATIONAL COMMITTEE  
AGAINST DISCRIMINATION IN HOUSING, INC.**

**NATIONAL COOPERATING ORGANIZATIONS**

Amalgamated Clothing Workers of America, AFL-CIO  
American Baptist Convention  
American Civil Liberties Union  
American Ethical Union  
American Federation of Labor-Congress of Industrial Organizations  
American Federation of Teachers, AFL-CIO  
American Friends Service Committee  
American Jewish Committee  
American Jewish Congress  
American Veterans Committee  
Americans for Democratic Action  
Anti-Defamation League of B'nai B'rith

Brotherhood of Sleeping Car Porters, AFL-CIO/CLC

Commonwealth of Puerto Rico, Department of Labor,  
Migration Division  
Congress of Racial Equality  
Cooperative League of the USA

Friendship House

Industrial Union Department, AFL-CIO  
International Ladies' Garment Workers' Union, AFL-CIO  
International Union of Electrical, Radio and Machine  
Workers, AFL-CIO

Jewish Labor Committee

League for Industrial Democracy  
League of Women Voters of the United States

The Methodist Church

NAACP Legal Defense and Educational Fund, Inc.  
National Association for the Advancement of Colored People  
National Association of Housing Cooperatives  
National Association of Negro Business and  
Professional Women's Clubs  
National Catholic Conference for Interracial Justice  
National Committee on Tithing in Investment  
National Community Relations Advisory Council  
National Council of Churches of Christ  
National Council of Jewish Women  
National Council of Negro Women  
National Education Association  
National Urban League

Oil, Chemical and Atomic Workers International Union, AFL-CIO

Scholarship, Education and Defense Fund for Racial Equality  
Service Employees International Union, AFL-CIO  
Southern Regional Council  
Synagogue Council of America

Union of American Hebrew Congregations  
Unitarian Universalist Association  
United Auto Workers of America  
United Church of Christ  
United Housing Foundation  
United Steelworkers of America, AFL-CIO

Young Women's Christian Association

